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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report: January 18, 2018
(Date of earliest event reported: January 15, 2018)

Vanguard Natural Resources, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**001-33756**	**80-0411494**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
5847 San Felipe, Suite 3000 Houston, Texas		77057
(Address of Principal Executive Offices)		(Zip Code)

(832) 327-2255
(Registrant's telephone number, including area code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Departure of Scott W. Smith

On January 15, 2018, Scott W. Smith stepped down as the President and Chief Executive Officer of Vanguard Natural Resources, Inc. (the "Company"), and also resigned from his membership on the Company's Board of Directors (the "Board") and his officer and director positions with the Company's subsidiaries. Mr. Smith has agreed to assist the Company with the transition of his role, and is expected to remain an employee of the Company at comparable compensation levels through February 16, 2018. The Company will honor Mr. Smith's existing employment agreement in connection with his departure.

Departure of Britt Pence

On January 17, 2018, Britt Pence agreed with the Company that he would step down as the Company's Executive Vice President of Operations, effective on or before June 29, 2018 or such other time as mutually agreed with the Company (as applicable, the "Transition Period"). The Company will honor Mr. Pence's existing employment agreement in connection with his departure. During the Transition Period, Mr. Pence will continue to receive his current annual base salary. In addition, unless Mr. Pence resigns from employment prior to the end of the Transition Period, Mr. Pence will be eligible to receive a pro-rated portion of his target annual bonus for his service during 2018. If the Company terminates Mr. Pence's employment without cause (as such term is used in Mr. Pence's existing employment agreement) prior to the end of the Transition Period, then the Company will continue to pay Mr. Pence his annual base salary and his pro-rated target annual bonus through the end of the Transition Period.

Appointment of Richard Scott Sloan

On January 17, 2018, the Board appointed Richard Scott Sloan, age 53, as the Company's President and Chief Executive Officer. Mr. Sloan also continues to serve as a member of the Board.

Mr. Sloan brings significant financial, strategic, and commercial industry experience to the Company. Prior to his appointment as the Company's President and Chief Executive Officer, Mr. Sloan served as the Executive Vice President and Chief Financial Officer of the Company since September 27, 2017. Prior to joining the Company, Mr. Sloan oversaw strategic planning, new business development, and oil and gas marketing for Hess Corporation. Previously, Mr. Sloan held various senior leadership positions over his 25-year career at BP, including President of BP Russia, Director of M&A, and Chief Financial Officer of several regional divisions. Mr. Sloan also held board positions with TNK Holdings, Slavneft, Rusia Petroleum, In Salah Sales, and Medgaz. He received his B.A. in Economics from Colgate University and his M.B.A. in Corporate Finance from the University of Chicago.

In connection with his appointment as President and Chief Executive Officer, Mr. Sloan entered into an amended and restated employment agreement with the Company (the "Sloan Employment Agreement"). The Sloan Employment Agreement is generally consistent with Mr. Sloan's existing employment agreement with the Company, except that the Sloan Employment Agreement is updated to reflect Mr. Sloan's position of President and Chief Executive Officer, as well as his annual base salary of $700,000 and his target annual performance-based bonus award equal to 100% of his annual base salary.

The foregoing description of the Sloan Employment Agreement is qualified in its entirety by reference to the full text of the Sloan Employment Agreement, which is filed as Exhibit 10.1 to this report and incorporated herein by reference.

Appointment of Ryan Midgett

On January 17, 2018, the Board appointed Ryan Midgett, age 33, as the Company's Chief Financial Officer.

Mr. Midgett has over a decade of experience in financial management, analysis and reporting roles in the oil and gas industry. Prior to his appointment as the Company's Chief Financial Officer, Mr. Midgett served as the Vice President, Finance and Treasurer of the Company since August 2016. In that role, his responsibilities included strategic planning, budgeting and forecasting, economic analysis of the Company's organic opportunities and M&A transactions, overseeing and executing numerous capital markets transactions, negotiating credit agreements, overseeing the Company's insurance and risk management program, and overseeing other corporate treasury functions. Previously, he was the Company's Treasurer since 2013 and Assistant Treasurer since April 2011. Prior to joining the Company, Mr. Midgett served in various financial analyst, investor relations, and business development roles at Linn Energy from 2006-2011. Mr. Midgett received his B.A. in Economics, Managerial Studies and Political Science from Rice University.

In connection with his appointment as Chief Financial Officer, Mr. Midgett entered into an employment agreement with the Company (the "Midgett Employment Agreement"). The initial term of the Midgett Employment Agreement ends on December 31, 2020, with subsequent automatic 12-month extensions thereafter, provided that neither party delivers a timely non-renewal notice prior to the applicable expiration date.

The Midgett Employment Agreement provides that Mr. Midgett is entitled to an annual base salary of $300,000 and that he is eligible to receive an annual performance-based bonus award in an amount to be determined by the Board or the Compensation Committee of the Board (the "Committee"). With respect to calendar year 2018, Mr. Midgett's target annual performance-based bonus opportunity will be equal to no less than 60% of his annual base salary. Mr. Midgett is eligible to participate in the benefit programs generally available to senior executives of the Company.

Mr. Midgett is eligible to receive certain "Change of Control" (as defined in the Midgett Employment Agreement) severance payments and benefits under the Midgett Employment Agreement. If, during the 12 months immediately following a Change of Control, Mr. Midgett's employment is terminated by the Company without "Cause" or he resigns for "Good Reason" (each as defined in the Midgett Employment Agreement), Mr. Midgett would be entitled to receive a lump sum payment of an amount equal to two times his then-current annual base-salary and his most recent annual bonus prior to the year of the Change of Control. However, if a Change of Control severance occurs during 2018, the payment to Mr. Midgett would instead be two times the sum of his annual base salary and his target annual bonus for 2018.

Under the Midgett Employment Agreement, Mr. Midgett is entitled to severance payments and benefits upon certain qualifying terminations of his employment with the Company. Upon a termination of his employment by the Company without Cause or resignation by Mr. Midgett for Good Reason (and except with respect to a Change of Control, as described above), he is entitled to receive a lump sum payment of an amount equal to two times his then-current annual base salary. As a condition to receiving any of the Change of Control or other severance payments and benefits provided in the Midgett Employment Agreements, Mr. Midgett (or his legal representative, as applicable) must execute and not revoke a customary severance and release agreement, including a waiver of all claims.

The Midgett Employment Agreement contains customary non-competition, non-solicitation and confidentiality provisions.

The foregoing description of the Midgett Employment Agreement is qualified in its entirety by reference to the full text of the Midgett Employment Agreement, which is filed as Exhibit 10.2 to this report and incorporated herein by reference.

Appointment of Patty Avila-Eady

On January 17, 2018, the Board appointed Patty Avila-Eady, age 54, as the Company's Chief Accounting Officer.

Ms. Avila-Eady is a certified public accountant with over 30 years of accounting and financial reporting experience. Since 2011, she served as the Company's Controller and managed an accounting team responsible for financial and revenue reporting and tax compliance. Previously, she was the Company's Director of Financial Reporting from 2007-2011. Ms. Avila-Eady received her B.B.A. in Accounting from the University of Houston.

In connection with her appointment as the Company's Chief Accounting Officer, Ms. Avila-Eady's annual base salary was increased to $235,000.

Approval of Short-Term Incentive Program

On January 17, 2018, the Committee approved the Company's 2018 short-term incentive program (the "STIP"), as well as the annual cash bonus targets and performance achievement metrics under the STIP for 2018. Pursuant to the STIP, participants are eligible for an annual cash bonus award with respect to performance achievement during 2018. Individual awards are generally targeted at a percentage of the participant's annual base salary, and may generally range from 0% to 150% of that target amount. Performance metrics for 2018 under the STIP include production and financial goals, as well as a participant's individual performance.

Messrs. Sloan and Midgett are eligible for 2018 STIP awards consistent with the terms of the Sloan Employment Agreement and the Midgett Employment Agreement, respectively. Ms. Avila-Eady is eligible for a 2018 STIP award with a targeted amount equal 60% of her annual base salary.

Approval of Long-Term Incentive Program Awards

On January 17, 2018, the Board approved initial long-term incentive awards under the Company's 2017 Management Incentive Plan (the "LTIP"). The Company granted time-based and performance-based restricted stock unit awards under the LTIP to certain Company executives. The time-based restricted stock unit awards under the LTIP (the "RSUs") generally vest 1/3 on each of the first three anniversaries of October 30, 2017. The performance-based restricted stock unit awards under the LTIP (the "PSUs") are generally eligible to vest based on the Company's total shareholder return relative to an index of its peers during the period from January 1, 2018 through December 31, 2020, and may generally range from 0% to 200% of the target amount.

Mr. Sloan received 38,462 RSUs and 115,384 PSUs (assuming achievement at the target performance level). Mr. Midgett received 16,026 RSUs and 48,077 PSUs (assuming achievement at the target performance level). Ms. Avila-Eady received 6,026 RSUs.

The foregoing descriptions of the RSUs and the PSUs are qualified in their entirety by reference to the full text of the Company's form of Restricted Stock Unit Award Agreement and the Company's form of Performance-Based Restricted Stock Unit Award Agreement, respectively, which are filed as Exhibits 10.3 and 10.4 to this report, respectively, and incorporated herein by reference.

Item 8.01. Other Events.

On January 18, 2018 the Company issued a press release announcing, among other things, the approval of its 2018 capital expenditure budget; the departures of Mr. Smith as President and Chief Executive Officer and Mr. Pence as Executive Vice President of Operations; and the appointments of Mr. Sloan as President and Chief Executive Officer, Mr. Midgett as Chief Financial Officer, and Ms. Avila-Eady as Chief Accounting Officer, a copy of which is filed as Exhibit 99.1 to this report and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
10.1	Employment Agreement with Richard Scott Sloan, dated January 17, 2018
10.2	Employment Agreement with Ryan Midgett, dated January 17, 2018
10.3	Form of Restricted Stock Unit Award Agreement
10.4	Form of Performance-Based Restricted Stock Unit Award Agreement
99.1	Press Release, dated January 18, 2018

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VANGUARD NATURAL RESOURCES, INC.

Dated: January 18, 2018

By: /s/ Jonathan C. Curth
Name: Jonathan C. Curth
Title: General Counsel, Corporate Secretary and Vice President of Land

EXHIBIT INDEX

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Exhibit 10.1

EXECUTION VERSION

EMPLOYMENT AGREEMENT
RICHARD SCOTT SLOAN

This **EMPLOYMENT AGREEMENT**, effective as of January 17, 2018 (the "***Effective Date***"), is by and between Vanguard Natural Resources, Inc. ("***VNR***", together with its subsidiaries, the "***Company***") and Richard Scott Sloan ("***Executive***").

WHEREAS, VNR and Executive previously entered into that certain Employment Agreement, effective as of October 31, 2017 (the "***Prior Agreement***"); and

WHEREAS, the parties desire to amend and restate the Prior Agreement to reflect Executive's current position with the Company and Executive's current compensation in connection therewith; and

WHEREAS, the parties desire to set forth in writing the terms and conditions of their understandings and agreements in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, VNR hereby agrees to continue to employ Executive and Executive hereby accepts such continued employment upon the terms and conditions set forth in this Agreement:

1. Employment Period.

(a) Subject to Section 5, VNR hereby agrees to employ Executive, and Executive hereby agrees to be employed by VNR, in accordance with the terms and provisions of this Agreement, for the period commencing as of the Effective Date and ending on December 31, 2020 (the "***Employment Period***"); provided, however, that the Employment Period shall automatically be renewed and extended for an additional period of twelve (12) months commencing on January 1, 2021 and expiring on January 1, 2022, and on each successive January 1 thereafter, unless at least ninety (90) days prior to the ensuing expiration date (but no more than twelve (12) months prior to such expiration date), VNR or Executive shall have given ninety (90) days written notice to the other that it or he, as applicable, does not wish to extend this Agreement (a "***Non-Renewal Notice***"). The term "***Employment Period***" as utilized in this Agreement, shall refer to the Employment Period as so automatically extended.

(b) During the term of Executive's employment with VNR, Executive shall serve as the President and Chief Executive Officer of VNR and in so doing, shall report to the Board of Directors of VNR (the "***Board***"). In addition, Executive shall serve as a member of the Board of VNR unless removed by a vote of the shareholders or unless the Nominating Committee of the Board fails to nominate Executive. Executive shall have supervision and control over, and responsibility for, such management and operational functions of the Company currently assigned to such positions, and shall have such other powers and duties (including holding officer positions with VNR and one or more subsidiaries of VNR) as may from time to time be prescribed by the Board, so long as such powers and duties are reasonable and customary for the President and Chief Executive Officer of an enterprise comparable to the Company.

(c) During the term of Executive's employment with VNR, and excluding any periods of vacation and sick leave to which Executive is entitled, Executive agrees to devote substantially all of his business time to the business and affairs of VNR and, to the extent necessary to discharge the responsibilities assigned to Executive hereunder or by the Board hereafter, to use Executive's reasonable best efforts to perform faithfully, effectively and efficiently such responsibilities. During the term of Executive's employment with VNR, it shall not be a violation of this Agreement for Executive to (i) serve on corporate, civic or charitable boards or committees, provided that service on any corporate board or committee shall be subject to the prior approval of the Board, which shall not be unreasonably withheld, (ii) deliver lectures or fulfill speaking engagements, and (iii) manage personal investments, so long as such activities do not materially interfere with the performance of Executive's responsibilities as an employee of the Company in accordance with this Agreement.

(d) The parties expressly acknowledge that any performance of Executive's responsibilities hereunder shall necessitate, and the Company shall provide, access to or the disclosure of Confidential Information (as defined in Section 9(a) below) to Executive and that Executive's responsibilities shall include the development of the Company's goodwill through Executive's contacts with the Company's customers and suppliers.

2. Compensation.

(a) *Base Salary*. VNR shall pay Executive an annual base salary ("***Base Salary***") of $700,000. The Board shall review Executive's Base Salary at least annually and may at its discretion elect to increase Executive's Base Salary at any time if they deem an increase is warranted. Subject to Section 5(c)(ii) hereof, the Board may not decrease Executive's annual Base Salary without his prior written approval. Base Salary shall be payable in accordance with the ordinary payroll practices of VNR, but in no event shall the Base Salary be paid to Executive less frequently than monthly. The term "Base Salary" as used in this Agreement shall refer to the Base Salary as it may be so adjusted from time to time.

(b) *Annual Bonus*. Executive shall be eligible to receive an annual cash bonus (the "***Annual Bonus***") in an amount to be determined by the Board or compensation committee of the Board ("***Committee***") based on performance goals established by the Board or Committee, as applicable, on an annual basis, with Executive being eligible to receive a target bonus equal to no less than one hundred percent (100%) of his Base Salary ("***Target Bonus***"). With respect to his employment in 2017, Executive will receive an Annual Bonus in an amount not less than $127,500, payable on or before March 15, 2018.

(c) *MIP Grants*. Executive shall be eligible to participate in the Company's management incentive plan ("***MIP***") in accordance with the terms thereof and as determined by the Board; provided, however, that in 2018 Executive will receive an initial grant under the MIP with a grant date value of $3,000,000 (determined using a share price of $19.50).

3. Employee Benefits.

(a) During the Employment Period, VNR shall provide Executive with coverage under all employee pension and welfare benefit programs, plans and practices, which VNR makes available to its senior executives (including, without limitation, participation in health, dental, group life, disability, retirement and all other plans and fringe benefits to the extent generally provided to such senior executives), commensurate with his position in the Company, to the extent permitted under the employee benefit plan or program, and in accordance with the terms of the program and/or plan.

(b) Executive shall be entitled to vacation time in accordance with the Company's published vacation policy which currently provides Executive with twenty five (25) business days paid vacation in each calendar year. Such vacation time shall accrue at a rate of two (2) vacation days for each calendar month worked; provided, however, that during any given calendar year, Executive shall be able to take vacation days that will accrue during that calendar year, even if such days have not yet accrued. A maximum of ten (10) business days of accrued but unused vacation may be carried over from one calendar year to the next.

(c) Executive is authorized to incur reasonable expenses in carrying out his duties and responsibilities under this Agreement and promoting the business of the Company, including, without limitation, reasonable expenses for travel, lodgings, entertainment and similar items related to such duties and responsibilities. VNR will promptly reimburse Executive for all such expenses upon presentation by Executive of appropriately itemized and approved (consistent with VNR's policy) accounts of such expenditures, in accordance with the Company's expense reimbursement policy; provided, however, that in no event shall the expense reimbursement be made after the last day of the taxable year following the year in which the expense was incurred by Executive, although in the event that the reimbursement would constitute taxable income to Executive, such reimbursements will be paid no later than March 15th of the calendar year following the calendar year in which the expense was incurred. No reimbursement or expenses eligible for reimbursement in any taxable year shall affect the expenses eligible for reimbursement in any other taxable year, nor may the right to receive a reimbursement of expenses be subject to liquidation or exchanged for another benefit.

4. Termination in Connection with a Change of Control.

(a) *Definition of Change of Control*. For purposes of this Agreement, a "***Change of Control***" shall mean the occurrence of one or more of the following events:

(i) Any "person" or "group" within the meaning of those terms as used in Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended, other than an affiliate of VNR, shall become the beneficial owner, by way of merger consolidation, recapitalization, reorganization or otherwise, of fifty percent (50%) or more of the combined voting power of the equity interests in VNR;

(ii) VNR's shareholders approve, in one or a series of transactions, a plan of complete liquidation of VNR; or

(iii) The sale or other disposition by VNR of all or substantially all of its assets in one or more transactions to any person other than an affiliate of VNR.

Notwithstanding the foregoing, with respect to a payment that is subject to section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"), a "Change of Control" shall mean a "change of control event" as defined in the regulations and guidance issued under section 409A of the Code.

(b) If, during the twelve (12) months immediately following the occurrence of a Change of Control of VNR (the "***Change of Control Period***"), Executive is terminated by the Company without Cause or resigns for Good Reason (as defined below), (i) Executive will be entitled to receive (A) within ten (10) business days after the Date of Termination (as defined below), his Accrued Compensation and Reimbursements (as defined below) and (B) on the 60th day following the Date of Termination, a lump sum payment of an amount equaling two (2) times the sum of his Base Salary and the Annual Bonus paid or payable with respect to the calendar year preceding the year in which the Change of Control occurs (the "***Change of Control Payment***") and (ii) unless more favorable treatment is provided for in the applicable award agreement, any unvested awards under the MIP will immediately vest (assuming achievement at target for any performance-based awards). Executive shall also receive (i) any Annual Bonus for the year prior to the year in which the Date of Termination occurred that was earned but not yet paid, which will be paid at the time annual bonuses are paid to other senior management, but in no event later than March 15th of the calendar year following the calendar year in which the Date of Termination occurs (the "***Earned but Unpaid Bonus***") and (ii) the Pro Rata Bonus (as defined below). Notwithstanding the foregoing, in the event that Executive experiences a termination under this Section 4(b) in calendar year 2018, the Change of Control Payment shall instead be equal to two (2) times the sum of Executive's Base Salary and Target Bonus. Solely for purposes of the Change of Control Payment, Executive's Base Salary (and Target Bonus, as applicable) shall be valued as in effect at the time of the Change of Control.

5. <u>Termination of Employment</u>.

(a) *Termination without Cause or Resignation by Executive for Other than Good Reason*. Unless otherwise specified in a separate provision of this Section 5, either Executive or VNR, by action of the Board, may terminate this Agreement, and Executive's employment by VNR, for any reason after providing thirty (30) days written notice to the non-terminating party. If Executive terminates this Agreement pursuant to this provision for a reason other than Good Reason, VNR will pay Executive within ten (10) business days after the Date of Termination (as defined below) (i) all accrued but unpaid Base Salary, (ii) a prorated amount of Executive's Base Salary for accrued but unused vacation days, and (iii) yet unpaid reimbursements for any reasonable and necessary business expenses incurred by Executive prior to the Date of Termination in connection with his duties hereunder (such amounts collectively, the "***Accrued Compensation and Reimbursements***"). Upon termination by VNR of this Agreement pursuant to this Section 5(a) without Cause (other than during a Change of Control Period, which shall be governed by Section 4(b)), VNR shall pay or provide to Executive the following: (A) within ten (10) business days after the Date of Termination, the Accrued Compensation and Reimbursements; (B) on the 60th day following the Date of Termination, a lump sum payment (the "***Severance Payment***") equal to the amount of Executive's Base Salary (at the rate in effect hereunder as of the Date of Termination) for thirty (30) months; (C) the Earned but Unpaid Bonus; and (D) a pro rata Annual Bonus in respect of the number of months that Executive was employed by the Company during the year in which the Date of Termination occurs, based on actual performance and paid at the same time annual bonuses are paid to other executives (but in no event later than March 15th of the calendar year following the calendar year in which the Date of Termination occurs) (the "***Pro Rata Bonus***"). Treatment of any unvested awards under the MIP will be as provided under the terms and conditions of the MIP and the applicable individual award agreement. Notwithstanding any other provision of this Agreement, the non-renewal of Executive's employment pursuant to the terms of a Non-Renewal Notice under Section 1(a) of this Agreement shall not constitute a termination of this Agreement entitling Executive to the Severance Payment under this Section 5(a) or any Change of Control Payment under Section 4(b).

(b) *Termination for Cause*. VNR, by action of the Board may terminate this Agreement at any time for Cause. Upon termination by VNR for Cause, Executive shall only be entitled to Accrued Compensation and Reimbursements, which amount shall be paid within ten (10) business days after the Date of Termination. For purposes hereof, "***Cause***" means any of the following:

(i) Executive's commission of theft, embezzlement, any other act of dishonesty relating to his employment with VNR or any willful violation of any law, rules or regulation applicable to the Company, including, but not limited to, those laws, rules or regulations established by the Securities and Exchange Commission, or any self-regulatory organization having jurisdiction or authority over Executive or the Company; or

(ii) Executive's conviction of, or Executive's plea of guilty or *nolo contendere* to, any felony or of any other crime involving fraud, dishonesty or moral turpitude; or

(iii) A good faith determination by the Board that Executive has materially breached this Agreement (other than during any period of Disability, as defined below) where such breach is not remedied within ten business (10) days after written demand by the Board for substantial performance is actually received by Executive which specifically identifies the manner in which the Board believes Executive has so breached; or

(iv) Executive's willful failure to perform his reasonable and customary duties as the President and Chief Executive Officer of VNR, which such failure is not remedied within ten business (10) days after written demand by the Board for substantial performance is actually received by Executive which specifically identifies the nature of such failure.

For purposes of the definition of Cause, no act or failure to act, on the part of Executive, shall be considered "willful" unless it is done, or omitted to be done, by Executive in bad faith or without reasonable belief that Executive's action or omission was in, or not opposed to, the best interests of the Company. Any act, or failure to act, based upon authority given by the Board or based upon the advice of counsel for VNR shall be conclusively presumed to be done, or omitted to be done, by Executive in good faith and in the best interests of the Company. VNR, by action of the Board, may terminate Executive's employment for Cause only after: (i) providing written notice to Executive, which identifies the Cause for Executive's termination (which notice must be given within ninety (90) days after the actual notice or discovery of the act(s) or omission(s) constituting such Cause) and (ii) Executive has been given an opportunity, together with his counsel, to be heard by the Board at a time and location reasonably designated by the Board.

(c) *Termination with Good Reason*. Executive may terminate this Agreement for Good Reason, and thereby resign his employment, after providing thirty (30) days' written notice to the Company of the act(s) or omission(s) constituting Good Reason (which notice must be given within ninety (90) days after the occurrence of such act(s) or omission(s) and describe the act(s) or omission(s) in reasonable detail) if such act(s) or omission(s) is/are not cured by the Company within thirty (30) days after Executive provides such written notice. For purposes hereof, "***Good Reason***" means any of the following reasons that occurs without Executive's written consent:

(i) A material reduction in Executive's authority, duties, or responsibilities (for this purpose, any removal of Executive from membership on the Board that is due to a vote of the shareholders or due to the failure of the Nominating Committee of the Board to nominate Executive shall not be treated as satisfying the requirements of this Section 5(c)(i)); or

(ii) Any reduction in Executive's Base Salary, other than a cumulative reduction of 0-10% when the Company's senior management is affected in a similar manner; or

(iii) Executive's removal from his position as President and Chief Executive Officer of VNR, other than for Cause or by death or Disability, during the Employment Period, to a position that is not at least equivalent in authority and duties to President and Chief Executive Officer of VNR; or

(iv) Relocation of Executive's principal place of business to a location fifty (50) or more miles from its location as of the Effective Date; or

(v) A material breach by VNR of this Agreement, which materially and adversely affects Executive; or

(vi) VNR's failure to make any material payment to Executive required to be made under the terms of this Agreement.

Upon termination of this Agreement pursuant to this Section 5(c) (other than during a Change of Control Period, which shall be governed by Section 4(b)), VNR shall pay or provide to Executive the following: (i) within ten (10) business days after the Date of Termination, his Accrued Compensation and Reimbursements, (ii) on the 60th day following the Date of Termination, the Severance Payment, (iii) the Earned but Unpaid Bonus, and (iv) the Pro Rata Bonus. Treatment of any unvested awards under the MIP will be as provided under the terms and conditions of the MIP and the applicable individual award agreement.

(d) *Termination by Disability*. VNR, by action of the Board, may terminate this Agreement at any time if Executive shall be deemed in the reasonable judgment of the Board to have sustained a "***Disability***." Executive shall be deemed to have sustained a Disability if and only if he shall have been unable to substantially perform his duties as an employee of VNR as a result of sickness or injury, and shall have remained unable to perform any such duties for a period of more than 180 consecutive days in any twelve (12) month period. Upon termination of this Agreement for Disability, Executive shall only be entitled to (i) Accrued Compensation and Reimbursements, which amount shall be paid within ten (10) business days after the Date of Termination, (ii) any other amounts or benefits to which Executive may be entitled under a separate plan, policy or program maintained by the Company, and (iii) the Earned but Unpaid Bonus.

(e) *Termination by Death*. This Agreement will terminate automatically upon Executive's death. Upon termination of this Agreement because of Executive's death, VNR shall pay or provide Executive's estate with the following: (i) Accrued Compensation and Reimbursements, which amount shall be paid within ten (10) business days after the Date of Termination, (ii) any other amounts or benefits to which Executive may be entitled under a separate plan, policy or program maintained by the Company, and (iii) the Earned but Unpaid Bonus.

(f) *Date of Termination*. As used in this Agreement, "***Date of Termination***" means (i) if Executive's employment is terminated by his death, the date of his death; (ii) if Executive's employment is terminated as a result of a Disability or by VNR for Cause or without Cause, then the date specified in a notice delivered to Executive by VNR of such termination, (iii) if Executive's employment is terminated by Executive for Good Reason, then the date specified in the notice of such termination delivered to VNR by Executive, (iv) if Executive's employment terminates due to the giving of a Non-Renewal Notice, the last day of the Employment Period, and (v) if Executive's employment is terminated for any other reason, the date specified therefore in the notice of such termination.

6. Employment.

Upon termination of this Agreement, Executive's employment shall also terminate and cease, and Executive shall be deemed to have voluntarily resigned from all positions and the Board, if Executive is a member of the Board. Executive shall confirm the foregoing resignation(s) by submitting to the Company written confirmation of Executive's resignation(s), and the Company's obligations to pay the Severance Payment or the Change of Control Payment shall be subject to the Company's receipt of such written confirmation.

7. Mitigation.

Upon termination of this Agreement for any reason, amounts to be paid per the express terms of this Agreement shall not be reduced whether or not Executive obtains other employment.

8. Release.

Notwithstanding any other provision in this Agreement to the contrary, as a condition precedent to receiving any change of control or severance payments or benefits set forth in Section 4 or 5 of this Agreement (other than the Accrued Compensation and Reimbursements) in connection with any applicable termination scenario, Executive agrees to execute (and not revoke) a customary severance and release agreement, including a waiver of all claims, reasonably acceptable to the Company (the "***Release***"), within the forty-five (45) day period immediately following the Date of Termination. All revocation rights and timing restrictions shall be set forth in such Release. If Executive fails to execute and deliver the Release, or revokes the Release, Executive agrees that he shall not be entitled to receive any severance payments or benefits set forth in Section 4 or 5 of this Agreement (other than the Accrued Compensation and Reimbursements) in connection with any applicable termination scenario. For purposes of this Agreement, the Release shall be considered to have been executed by Executive if it is signed by his legal representative in the case of legal incompetence or on behalf of Executive's estate in the case of his death.

9. Nondisclosure.

(a) It is understood that Executive during his tenure with the Company has received and will continue to receive access to some or all of the Company's various trade secrets and confidential or proprietary information, including information he has not received before, consisting of, but not limited to, information relating to (i) business operations and methods, (ii) existing and proposed investments and investment strategies, (iii) financial performance, (iv) compensation arrangements and amounts (whether relating to the Company or to any of its employees), (v) contractual relationships, (vi) business partners and relationships, and (vii) marketing strategies (all of the forgoing, "***Confidential Information***"). Confidential Information shall not include: (A) information that Executive may furnish to third parties regarding his obligations under this Section 9 and under Section 10 or (B) information that (1) is general knowledge of Executive or information that becomes generally available to the public by means other than Executive's breach of this Section 9 (for example, not as a result of Executive's unauthorized release of marketing materials), (2) is in Executive's possession, or becomes available to Executive, on a non-confidential basis, from a source other than the Company or (3) Executive is required by law, regulation, court order or discovery demand to disclose; provided, however, that in the case of clause (3), Executive gives the Company, to the extent permitted by law, reasonable notice prior to the disclosure of the Confidential Information and the reasons and circumstances surrounding such disclosure to provide the Company an opportunity to seek a protective order or other appropriate request for confidential treatment of the applicable Confidential Information.

(b) Executive agrees that all Confidential Information, whether prepared by Executive or otherwise coming into his possession, shall remain the exclusive property of the Company during Executive's employment with the Company. Executive further agrees that Executive shall not, except for the benefit of the Company pursuant to the exercise of his duties in accordance with this Agreement or with the prior written consent of the Company, use or disclose to any third party any of the Confidential Information described herein, directly or indirectly, either during Executive's employment with the Company or at any time following the termination of Executive's employment with the Company.

(c) Upon termination of this Agreement, Executive agrees that all Confidential Information and other files, documents, materials, records, notebooks, customer lists, business proposals, contracts, agreements and other repositories containing information concerning the Company or the business of the Company (including all copies thereof) in Executive's possession, custody or control, whether prepared by Executive or others, shall remain with or be returned to the Company as soon as practicable after the Date of Termination.

(d) Nothing in this Agreement will preclude, prohibit or restrict Executive from (i) communicating with, any federal, state or local administrative or regulatory agency or authority, including but not limited to the Securities and Exchange Commission (the "***SEC***"); (ii) participating or cooperating in any investigation conducted by any governmental agency or authority; or (iii) filing a charge of discrimination with the United States Equal Employment Opportunity Commission or any other federal state or local administrative agency or regulatory authority. Nothing in this Agreement, or any other agreement between the parties, prohibits or is intended in any manner to prohibit, Executive from (A) reporting a possible violation of federal or other applicable law or regulation to any governmental agency or entity, including but not limited to the Department of Justice, the SEC, the U.S. Congress, and any governmental agency Inspector General, or (B) making other disclosures that are protected under whistleblower provisions of federal law or regulation. This Agreement does not limit Executive's right to receive an award (including, without limitation, a monetary reward) for information provided to the SEC. Executive does not need the prior authorization of anyone at the Company to make any such reports or disclosures, and Executive is not required to notify the Company that Executive has made such reports or disclosures. Nothing in this Agreement or any other agreement or policy of the Company is intended to interfere with or restrain the immunity provided under 18 U.S.C. §1833(b). Executive cannot be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) (A) in confidence to federal, state or local government officials, directly or indirectly, or to an attorney, and (B) for the purpose of reporting or investigating a suspected violation of law; (ii) in a complaint or other document filed in a lawsuit or other proceeding, if filed under seal; or (iii) in connection with a lawsuit alleging retaliation for reporting a suspected violation of law, if filed under seal and does not disclose the trade secret, except pursuant to a court order. The foregoing provisions regarding protected disclosures are intended to comply with all applicable laws. If any laws are adopted, amended or repealed after the execution of this Agreement, this Section 9(d) shall be deemed to be amended to reflect the same.

10. **<u>Non-Competition and Non-solicitation</u>**.

(a) As part of the consideration for the compensation and benefits to be paid to Executive hereunder, to protect Confidential Information of the Company and its customers and clients that have been and will be entrusted to Executive, the business goodwill of the Company and its subsidiaries that will be developed in and through Executive and the business opportunities that will be disclosed or entrusted to Executive by the Company and its subsidiaries, and as an additional incentive for the Company to enter into this Agreement, during Executive's employment with VNR and through the first anniversary of the Date of Termination (the "***Restricted Period***"), Executive will not (other than for the benefit of the Company pursuant to this Agreement), directly or indirectly:

(i) engage in, or carry on or assist, individually or as a principal, owner, officer, director, employee, shareholder, consultant, contractor, partner, member, joint venturer, agent, equity owner or in any other capacity whatsoever any (A) Competing Business or (B) Business Enterprise (as defined below) that is otherwise directly competitive with the Company within the states in which the Company conducts business. "***Competing Business***" means, during Employment Period, any business directly competitive with the business in which the Company is engaged from time to time in connection with the exploration and production of oil and gas in recognized basins and, following the Employment Period, where VNR was actively conducting such business as of the Date of Termination and during the one year period preceding the Date of Termination;

(ii) perform for any corporation, partnership, limited liability company, sole proprietorship, joint venture or other business association or entity (a "***Business Enterprise***") engaged in any Competing Business any duty Executive has performed for the Company that involved Executive's access to, or knowledge or application of, Confidential Information;

(iii) induce or attempt to induce any customer, supplier, licensee or other business relation of the Company to cease doing business with the Company or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and the Company;

(iv) induce or attempt to induce any customer, supplier, licensee or other business relation of the Company with whom Executive had direct business contact in dealings during the Employment Period in the course of his employment with the Company to cease doing business with the Company or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and the Company; or

(v) solicit with the purpose of hiring or hire any person who is or, within 180 days after such person ceased to be an employee of the Company, was an employee of the Company.

(b) Notwithstanding the duration of the restrictions set forth in Section 10(a) above and subject to Section 10(e) below, the restrictions set forth under Sections 10(a)(i) and (ii) shall expire after 180 days following the Date of Termination, if Executive terminates this Agreement under Sections 5(c) or 4(b) hereof or the Company terminates Executive's employment without Cause under Sections 5(a) or 4(b).

(c) Notwithstanding the foregoing restrictions of this Section 10, nothing in this Section 10 shall prohibit (i) any investment by Executive, directly or indirectly, in securities which are issued by a Business Enterprise involved in or conducting a Competing Business, provided that Executive, directly or indirectly, does not own more than five percent (5%) of the outstanding equity or voting securities of such Business Enterprise or (ii) Executive, directly or indirectly, from owning any interest in any Business Enterprise which conducts a Competing Business if such interest in such Business Enterprise is owned as of the date of this Agreement and Executive does not have the right, in the case of (i) or (ii), through the ownership of a voting interest or otherwise, to direct the activities of or associated with the business of such Business Enterprise.

(d) Executive acknowledges that each of the covenants of Section 10(a) are in addition to, and shall not be construed as a limitation upon, any other covenant provided in Section 10(a). Executive agrees that the geographic boundaries, scope of prohibited activities, and time duration of each of the covenants set forth in Section 10(a) are reasonable in nature and are no broader than are necessary to maintain the confidentiality and the goodwill of the Company's proprietary and Confidential Information, plans and services and to protect the other legitimate business interests of the Company, including without limitation the goodwill developed by Executive with Company's customers, suppliers, licensees and business relations.

(e) If, during any portion of the Restricted Period, Executive is not in compliance with the terms of Section 10(a), the Company shall be entitled to, among other remedies, compliance by Executive with the terms of Section 10(a) for an additional period of time (*i.e.*, in addition to the Restricted Period) that shall equal the period(s) over which such noncompliance occurred.

(f) The parties hereto intend that the covenants contained in Section 10(a) be construed as a series of separate covenants, one for each defined province in each geographic area in which Executive on behalf of the Company conducts business. Except for geographic coverage, each such separate covenant shall be deemed identical in terms to the applicable covenant contained in Section 10(a). Furthermore, each of the covenants in Section 9(a) shall be deemed a separate and independent covenant, each being enforceable irrespective of the enforceability (with or without reformation) of the other covenants contained in Section 10(a).

11. Notices.

All notices and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given if delivered personally, mailed by certified mail (return receipt requested) or sent by overnight delivery service to the parties at the following addresses or at such other addresses as shall be specified by the parties by like notice, in order of preference of the recipient:

To VNR or the Company: To Executive:
To the Secretary of VNR At the most recent address on file

Notice so given shall, in the case of mail, be deemed to be given and received on the fifth calendar day after posting, and in the case overnight delivery service, on the date of actual delivery.

12. Severability and Reformation.

If any one or more of the terms, provisions, covenants or restrictions of this Agreement shall be determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions shall remain in full force and effect, and the invalid, void or unenforceable provisions shall be deemed severable. Moreover, if any one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be reformed by limiting and reducing it to the minimum extent necessary, so as to be enforceable to the extent compatible with the applicable law as it shall then appear.

13. Assignment.

This Agreement shall be binding upon and inure to the benefit of the heirs and legal representatives of Executive and the permitted assigns and successors of VNR, but neither this Agreement nor any rights or obligations hereunder shall be assignable or otherwise subject to hypothecation by Executive without the express written consent of VNR (except in the case of death by will or by operation of the laws of intestate succession) or by VNR, except that VNR may assign this Agreement to any successor (whether by merger, purchase or otherwise) to all or substantially all of the stock assets or businesses of VNR, if such successor expressly agrees to assume the obligations of VNR hereunder.

14. Amendment.

This Agreement may be amended only by writing signed by both Executive and by a duly authorized representative of VNR (other than Executive).

15. Assistance in Litigation.

Executive shall reasonably cooperate with the Company in the defense or prosecution of any claims or actions now in existence or that may be brought in the future against or on behalf of the Company that relate to events or occurrences that transpired while Executive was employed by the Company. Executive's cooperation in connection with such claims or actions shall include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. Executive also shall cooperate fully with the Company in connection with any investigation or review by any Federal, state, or local regulatory authority as any such investigation or review relates, to events or occurrences that transpired while Executive was employed by the Company. The Company will pay Executive an agreed upon hourly rate for Executive's cooperation pursuant to this Section 15.

16. Beneficiaries; References.

Executive shall be entitled to select (and change, to the extent permitted under any applicable law) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following Executive's death, and may change such election, in either case by giving the Company written notice thereof. In the event of Executive's death or a judicial determination of his incompetence, reference in this Agreement to Executive shall be deemed, where appropriate, to refer to his beneficiary, estate or other legal representative. Any reference to the masculine gender in this Agreement shall include, where appropriate, the feminine.

17. Use of Name, Likeness and Biography.

The Company shall have the right (but not the obligation) to use, publish and broadcast, and to authorize others to do so, the name, approved likeness and approved biographical material of Executive to advertise, publicize and promote the business of the Company and its affiliates, but not for the purposes of direct endorsement without Executive's consent. This right shall terminate upon the termination of this Agreement. An "approved likeness" and "approved biographical material" shall be, respectively, any photograph or other depiction of Executive, or any biographical information or life story concerning the professional career of Executive.

18. Governing Law.

THIS AGREEMENT SHALL BE CONSTRUED, INTERPRETED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS WITHOUT REFERENCE TO RULES RELATING TO CONFLICTS OF LAW.

19. Entire Agreement.

This Agreement contains the entire understanding between the parties hereto with respect to the subject matter hereof and supersedes in all respects any prior or other agreement (including the Prior Agreement) or understanding, written or oral, between the Company or any affiliate of the Company and Executive with respect to such subject matter. For the avoidance of doubt, the Indemnification Agreement between Executive and the Company, dated August 1, 2017 shall remain in effect.

20. Withholding.

The Company shall be entitled to withhold from payment to Executive of any amount of withholding required by law.

21. Counterparts.

This Agreement may be executed in two or more counterparts, each of which will be deemed an original.

22. Remedies.

The parties recognize and affirm that in the event of a breach of Sections 9 or 10 of this Agreement, money damages would be inadequate and VNR would not have an adequate remedy at law. Accordingly, the parties agree that in the event of a breach or a threatened breach of Sections 9 or 10, VNR may, in addition and supplementary to other rights and remedies existing in its favor, apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce or prevent any violations of the provisions hereof (without posting a bond or other security). In addition, Executive agrees that in the event a court of competent jurisdiction or an arbitrator finds that Executive violated Section 9 or 10, the time periods set forth in those Sections shall be tolled until such breach or violation has been cured. Executive further agrees that VNR shall have the right to offset the amount of any damages found by a court of competent jurisdiction or an arbitrator as resulting from a breach by Executive of Section 9 or 10 against any payments due Executive under this Agreement. The parties agree that if one of the parties is found to have breached this Agreement by a court of competent jurisdiction or arbitrator, the breaching party will be required to pay the non-breaching party's attorneys' fees reasonably incurred in prosecuting the non-breaching party's claim of breach.

23. Non-Waiver.

The failure by either party to insist upon the performance of any one or more terms, covenants or conditions of this Agreement shall not be construed as a waiver or relinquishment of any right granted hereunder or of any future performance of any such term, covenant or condition, and the obligation of either party with respect hereto shall continue in full force and effect, unless such waiver shall be in writing signed by VNR (other than Executive) and Executive.

24. Announcement.

The Company shall have the right to make public announcements concerning the execution of this Agreement and the terms contained herein, at the Company's discretion.

25. Construction.

The headings and captions of this Agreement are provided for convenience only and are intended to have no effect in construing or interpreting this Agreement. The language in all parts of this Agreement shall be in all cases construed in accordance to its fair meaning and not strictly for or against the Company or Executive.

26. Right to Insure.

The Company shall have the right to secure, in its own name or otherwise, and at its own expense, life, health, accident or other insurance covering Executive, and Executive shall have no right, title or interest in and to such insurance. Executive shall assist the Company in procuring such insurance by submitting to reasonable and lawful examinations and by signing such applications and other instruments as may be reasonably and lawfully required by the insurance carriers to which application is made for any such insurance.

27. No Inconsistent Obligations.

Executive represents and warrants that to his knowledge he has no obligations, legal, in contract, or otherwise, inconsistent with the terms of this Agreement or with his undertaking employment with the Company to perform the duties described herein. Executive will not disclose to the Company, or use, or induce the Company to use, any confidential, proprietary, or trade secret information of others.

28. Binding Agreement.

This Agreement shall inure to the benefit of and be binding upon Executive, his heirs and personal representatives, and the Company, its successors and assigns.

29. Voluntary Agreement.

Each party to this Agreement has read and fully understands the terms and provisions hereof, has had an opportunity to review this Agreement with legal counsel, has executed this Agreement based upon such party's own judgment and advice of counsel (if any), and knowingly, voluntarily, and without duress, agrees to all of the terms set forth in this Agreement. The parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties and no presumption or burden of proof will arise favoring or disfavoring any party because of authorship of any provision of this Agreement. Except as expressly set forth in this Agreement, neither the parties nor their affiliates, advisors and/or their attorneys have made any representation or warranty, express or implied, at law or in equity with respect of the subject matter contained herein. Without limiting the generality of the previous sentence, the Companies, their affiliates, advisors, and/or attorneys have made no representation or warranty to Executive concerning the state or Federal tax consequences to Executive regarding the transactions contemplated by this Agreement.

30. Section 409A of the Code.

This Agreement is intended to comply with Section 409A of the Code, and the Treasury regulations and other interpretive guidance issued thereunder (collectively, "***Section 409A***"), or to be treated as exempt therefrom, and shall be construed and administered in accordance with such intent. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service, as a short-term deferral, or as any other compensation that is otherwise exempt from Section 409A shall be excluded from Section 409A to the maximum extent possible. Any payments to be made under this Agreement upon a termination of Executive's employment that are subject to Section 409A shall only be made if such termination of employment constitutes a "separation from service" under Section 409A. Notwithstanding any provision in this Agreement to the contrary, if any payment or benefit provided for herein would be subject to additional taxes and interest under Section 409A if Executive's receipt of such payment or benefit is not delayed until the earlier of (i) the date of Executive's death or (ii) the date that is six months after the Date of Termination of Executive's employment hereunder (such date, the "***Section 409A Payment Date***"), then such payment or benefit shall not be provided to Executive (or Executive's estate, if applicable) until the Section 409A Payment Date. Each payment under this Agreement is intended to be a "separate payment" and not one of a series of payments for purposes of Section 409A. Notwithstanding the foregoing, the Company does not guarantee any particular tax effect, and Executive shall be solely responsible and liable for the satisfaction of all taxes, penalties and interest that may be imposed on or for the account of Executive in connection with the Agreement (including any taxes, penalties and interest under Section 409A), and neither the Company, nor any of its affiliates, shall have any obligation to indemnify or otherwise hold Executive (or any beneficiary) harmless from any or all of such taxes, penalties or interest.

31. Section 280G

Notwithstanding any other provisions in this Agreement, in the event that any payment or benefit received or to be received by Executive (including, without limitation, any payment or benefit received in connection with a Change of Control of the Company or the termination of Executive's employment, whether pursuant to the terms of this Agreement or any other plan, program, arrangement or agreement) (all such payments and benefits, together, the "***Total Payments***") would be subject (in whole or part), to any excise tax imposed under Section 4999 of the Code, or any successor provision thereto (the "***Excise Tax***"), then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other plan, program, arrangement or agreement, the Company will reduce the Total Payments to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax (but in no event to less than zero); provided, however, that the Total Payments will be reduced only if (a) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state, municipal and local income and employment taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments), is greater than or equal to (b) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state, municipal and local income and employment taxes on such Total Payments and the amount of Excise Tax to which Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments).

In the case of a reduction in the Total Payments, the Total Payments will be reduced in the following order: (1) payments that are payable in cash that are valued at full value under Treasury Regulation Section 1.280G-l, Q&A24(a) will be reduced (if necessary, to zero), with amounts that are payable last reduced first; (2) payments and benefits due in respect of any equity valued at full value under Treasury Regulation Section 1.280G-1, Q&A24(a), with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24), will next be reduced; (3) payments that are payable in cash that are valued at less than full value under Treasury Regulation Section l .280G-1, Q&A 24, with amounts that are payable last reduced first, will next be reduced; (4) payments and benefits due in respect of any equity valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24, with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-l, Q&A 24), will next be reduced; and (5) all other non-cash benefits not otherwise described in clause (2) or (4) will be next reduced pro-rata. Any reductions made pursuant to each of clauses (1) through (4) above will be made in the following manner: first, a pro-rata reduction of cash payment and payments and benefits due in respect of any equity not subject to Section 409A of the Code, and second, a pro-rata reduction of cash payments and payments and benefits due in respect of any equity subject to Section 409A of the Code as deferred compensation.

For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax: (A) no portion of the Total Payments the receipt or enjoyment of which Executive shall have waived at such time and in such manner as not to constitute a "payment" within the meaning of Section 280G(b) of the Code will be taken into account; (B) no portion of the Total Payments will be taken into account that, in the opinion of the Company, does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code (including, without limitation, by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Total Payments will be taken into account that, in the opinion of the Company, constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the "base amount" (as set forth in Section 280G(b)(3) of the Code) that is allocable to such reasonable compensation; and (C) the value of any non-cash benefit or any deferred payment or benefit included in the Total Payments will be determined by the Company in accordance with the principles of Sections 280G(d)(3) and (4) of the Code.

32. Indemnification

VNR will defend and indemnify Executive as provided in VNR's Bylaws and Certificate of Incorporation, and to the maximum extent permitted pursuant to applicable law. The obligations under this section shall survive termination of Executive's employment or this Agreement. During the Employment Period and thereafter (with respect to events occurring during the Employment Period), VNR will maintain and provide Executive with coverage under its directors' and officers' liability policy to the same extent that it provides such coverage to its other officers and directors.

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement on the dates below

EXECUTIVE

Richard Scott Sloan
Date: 1/17/18

VANGUARD NATURAL RESOURCES, INC.

By: Ryan Midgett
Its: Chief Financial Officer
Date: 1/17/18

Exhibit 10.2

EXECUTION VERSION

EMPLOYMENT AGREEMENT
RYAN MIDGETT

This **EMPLOYMENT AGREEMENT** (this "***Agreement***"), effective as of January 17, 2018 (the "***Effective Date***"), is by and between Vanguard Natural Resources, Inc. ("***VNR***", together with its subsidiaries, the "***Company***") and Ryan Midgett ("***Executive***").

WHEREAS, VNR desires to continue to employ Executive, and Executive desires to continue to be employed by VNR; and

WHEREAS, the parties desire to set forth in writing the terms and conditions of their understandings and agreements in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, VNR hereby agrees to continue to employ Executive and Executive hereby accepts such continued employment upon the terms and conditions set forth in this Agreement:

1. Employment Period.

(a) Subject to Section 5, VNR hereby agrees to employ Executive, and Executive hereby agrees to be employed by VNR, in accordance with the terms and provisions of this Agreement, for the period commencing as of the Effective Date and ending on December 31, 2020 (the "***Employment Period***"); provided, however, that the Employment Period shall automatically be renewed and extended for an additional period of twelve (12) months commencing on January 1, 2021 and expiring on January 1, 2022, and on each successive January 1 thereafter, unless at least ninety (90) days prior to the ensuing expiration date (but no more than twelve (12) months prior to such expiration date), VNR or Executive shall have given ninety (90) days written notice to the other that it or he, as applicable, does not wish to extend this Agreement (a "***Non-Renewal Notice***"). The term "***Employment Period***" as utilized in this Agreement, shall refer to the Employment Period as so automatically extended.

(b) During the term of Executive's employment with VNR, Executive shall serve as the Chief Financial Officer of VNR and in so doing, shall report to the President and Chief Executive Officer of the Company (the "***CEO***") or, as required by applicable law or listing standards, to the Board of Directors of the Company (the "***Board***"). Executive shall have supervision and control over, and responsibility for, such management and operational functions of the Company currently assigned to such positions, and shall have such other powers and duties (including holding officer positions with VNR and one or more subsidiaries of VNR) as may from time to time be prescribed by the CEO or the Board, so long as such powers and duties are reasonable and customary for the Chief Financial Officer of an enterprise comparable to the Company.

(c) During the term of Executive's employment with VNR, and excluding any periods of vacation and sick leave to which Executive is entitled, Executive agrees to devote substantially all of his business time to the business and affairs of VNR and, to the extent necessary to discharge the responsibilities assigned to Executive hereunder or by the CEO or Board hereafter, to use Executive's reasonable best efforts to perform faithfully, effectively and efficiently such responsibilities. During the term of Executive's employment with VNR, it shall not be a violation of this Agreement for Executive to (i) serve on corporate, civic or charitable boards or committees, provided that service on any corporate board or committee shall be subject to the prior approval of the Board, which shall not be unreasonably withheld, (ii) deliver lectures or fulfill speaking engagements, and (iii) manage personal investments, so long as such activities do not materially interfere with the performance of Executive's responsibilities as an employee of the Company in accordance with this Agreement.

(d) The parties expressly acknowledge that any performance of Executive's responsibilities hereunder shall necessitate, and the Company shall provide, access to or the disclosure of Confidential Information (as defined in Section 9(a) below) to Executive and that Executive's responsibilities shall include the development of the Company's goodwill through Executive's contacts with the Company's customers and suppliers.

2. Compensation.

(a) *Base Salary*. VNR shall pay Executive an annual base salary ("***Base Salary***") at the rate of $300,000 for the period commencing on the Effective Date. The Board may at its discretion elect to increase Executive's Base Salary at any time if they deem an increase is warranted. Subject to Section 5(c)(ii) hereof, the Board may not decrease Executive's annual Base Salary without his prior written approval. Base Salary shall be payable in accordance with the ordinary payroll practices of VNR, but in no event shall the Base Salary be paid to Executive less frequently than monthly. The term "Base Salary" as used in this Agreement shall refer to the Base Salary as it may be so adjusted from time to time.

(b) *Annual Bonus*. Executive shall be eligible to receive an annual bonus (the "***Annual Bonus***") in an amount to be determined by the Board or compensation committee of the Board ("***Committee***") based on performance goals established by the Board or Committee, as applicable; provided, however, that the parties agree that Executive shall be subject to, and receive, bonus payments through the end of the 2017 calendar year in accordance with the Company's 2017 pre-emergence annual cash bonus program. With respect to calendar year 2018, Executive's target Annual Bonus opportunity will be equal to no less than sixty percent (60%) of his Base Salary ("***Target Bonus***").

(c) *MIP Grants*. Executive shall be eligible to participate in the Company's management incentive plan ("***MIP***") in accordance with the terms thereof and as determined by the Board; provided that, for calendar year 2018, the Company intends to award Executive an initial grant under the MIP with a grant date value of $1,250,000 (determined using a share price of $19.50).

3. Employee Benefits.

(a) During the Employment Period, VNR shall provide Executive with coverage under all employee pension and welfare benefit programs, plans and practices, which VNR makes available to its senior executives (including, without limitation, participation in health, dental, group life, disability, retirement and all other plans and fringe benefits to the extent generally provided to such senior executives), commensurate with his position in the Company, to the extent permitted under the employee benefit plan or program, and in accordance with the terms of the program and/or plan.

(b) Executive shall be entitled to vacation time in accordance with the Company's published vacation policy which currently provides Executive with twenty five (25) business days paid vacation in each calendar year. Such vacation time shall accrue at a rate of two (2) vacation days for each calendar month worked; provided, however, that during any given calendar year, Executive shall be able to take vacation days that will accrue during that calendar year, even if such days have not yet accrued. A maximum of ten (10) business days of accrued but unused vacation may be carried over from one calendar year to the next.

(c) Executive is authorized to incur reasonable expenses in carrying out his duties and responsibilities under this Agreement and promoting the business of the Company, including, without limitation, reasonable expenses for travel, lodgings, entertainment and similar items related to such duties and responsibilities. VNR will promptly reimburse Executive for all such expenses upon presentation by Executive of appropriately itemized and approved (consistent with VNR's policy) accounts of such expenditures, in accordance with the Company's expense reimbursement policy; provided, however, that in no event shall the expense reimbursement be made after the last day of the taxable year following the year in which the expense was incurred by Executive, although in the event that the reimbursement would constitute taxable income to Executive, such reimbursements will be paid no later than March 15th of the calendar year following the calendar year in which the expense was incurred. No reimbursement or expenses eligible for reimbursement in any taxable year shall affect the expenses eligible for reimbursement in any other taxable year, nor may the right to receive a reimbursement of expenses be subject to liquidation or exchanged for another benefit.

4. Termination in Connection with a Change of Control.

(a) *Definition of Change of Control*. For purposes of this Agreement, a "***Change of Control***" shall mean the occurrence of one or more of the following events:

(i) Any "person" or "group" within the meaning of those terms as used in Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended, other than an affiliate of VNR, shall become the beneficial owner, by way of merger consolidation, recapitalization, reorganization or otherwise, of fifty percent (50%) or more of the combined voting power of the equity interests in VNR;

(ii) VNR's shareholders approve, in one or a series of transactions, a plan of complete liquidation of VNR; or

(iii) The sale or other disposition by VNR of all or substantially all of its assets in one or more transactions to any person other than an affiliate of VNR.

Notwithstanding the foregoing, with respect to a payment that is subject to section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"), a "Change of Control" shall mean a "change of control event" as defined in the regulations and guidance issued under section 409A of the Code.

(b) If, during the twelve (12) months immediately following the occurrence of a Change of Control of VNR (the "***Change of Control Period***"), Executive is terminated by the Company without Cause or resigns for Good Reason (as defined below), Executive will be entitled to receive (i) within ten (10) business days after the Date of Termination (as defined below), his Accrued Compensation and Reimbursements (as defined below) and (ii) on the 60th day following the Date of Termination, a lump sum payment of an amount equaling two (2) times the sum of his Base Salary and the Annual Bonus paid or payable with respect to the calendar year preceding the year in which the Change of Control occurs (the "***Change of Control Payment***"). Notwithstanding the foregoing, in the event that Executive experiences a termination under this Section 4(b) in calendar year 2018, the Change of Control Payment shall instead be equal to two (2) times the sum of Executive's Base Salary and Target Bonus. Solely for purposes of the Change of Control Payment, Executive's Base Salary shall be valued as in effect at the time of the Change of Control. Treatment of any awards under the MIP will be as provided under the terms and conditions of the MIP and the applicable individual award agreement.

5. Termination of Employment.

(a) *Termination without Cause or Resignation by Executive for Other than Good Reason*. Unless otherwise specified in a separate provision of this Section 5, either Executive or VNR, by action of the Board, may terminate this Agreement, and Executive's employment by VNR, for any reason after providing thirty (30) days written notice to the non-terminating party. If Executive terminates this Agreement pursuant to this provision for a reason other than Good Reason, VNR will pay Executive within ten (10) business days after the Date of Termination (as defined below) (i) all accrued but unpaid Base Salary, (ii) a prorated amount of Executive's Base Salary for accrued but unused vacation days, and (iii) yet unpaid reimbursements for any reasonable and necessary business expenses incurred by Executive prior to the Date of Termination in connection with his duties hereunder (such amounts collectively, the "***Accrued Compensation and Reimbursements***"). Upon termination by VNR of this Agreement pursuant to this Section 5(a) without Cause (other than during a Change of Control Period, which shall be governed by Section 4(b)), VNR shall pay or provide to Executive the following: (A) within ten (10) business days after the Date of Termination, the Accrued Compensation and Reimbursements and (B) on the 60th day following the Date of Termination, a lump sum payment (the "***Severance Payment***") equal to the amount of Executive's Base Salary (at the rate in effect hereunder as of the Date of Termination) for twenty four (24) months. Treatment of any awards under the MIP will be as provided under the terms and conditions of the MIP and the applicable individual award agreement. Notwithstanding any other provision of this Agreement, the non-renewal of Executive's employment pursuant to the terms of a Non-Renewal Notice under Section 1(a) of this Agreement shall not constitute a termination of this Agreement entitling Executive to the Severance Payment under this Section 5(a) or any Change of Control Payment under Section 4(b).

(b) *Termination for Cause*. VNR, by action of the Board may terminate this Agreement at any time for Cause. Upon termination by VNR for Cause, Executive shall only be entitled to Accrued Compensation and Reimbursements, which amount shall be paid within ten (10) business days after the Date of Termination. For purposes hereof, "***Cause***" means any of the following:

(i) Executive's commission of theft, embezzlement, any other act of dishonesty relating to his employment with VNR or any willful violation of any law, rules or regulation applicable to the Company, including, but not limited to, those laws, rules or regulations established by the Securities and Exchange Commission, or any self-regulatory organization having jurisdiction or authority over Executive or the Company; or

(ii) Executive's conviction of, or Executive's plea of guilty or *nolo contendere* to, any felony or of any other crime involving fraud, dishonesty or moral turpitude; or

(iii) A determination by the Board that Executive has materially breached this Agreement (other than during any period of Disability, as defined below) where such breach is not remedied within ten business (10) days after written demand by the Board for substantial performance is actually received by Executive which specifically identifies the manner in which the Board believes Executive has so breached; or

(iv) Executive's willful failure to perform his reasonable and customary duties as the Chief Financial Officer of VNR, which such failure is not remedied within ten business (10) days after written demand by the Board for substantial performance is actually received by Executive which specifically identifies the nature of such failure.

For purposes of the definition of Cause, no act or failure to act, on the part of Executive, shall be considered "willful" unless it is done, or omitted to be done, by Executive in bad faith or without reasonable belief that Executive's action or omission was in, or not opposed to, the best interests of the Company. Any act, or failure to act, based upon authority given by the Board or based upon the advice of counsel for VNR shall be conclusively presumed to be done, or omitted to be done, by Executive in good faith and in the best interests of the Company. VNR, by action of the Board, may terminate Executive's employment for Cause only after: (i) providing written notice to Executive, which identifies the Cause for Executive's termination (which notice must be given within ninety (90) days after the actual discovery of the act(s) or omission(s) constituting such Cause) and (ii) Executive has been given an opportunity, together with his counsel, to be heard by the Board at a time and location reasonably designated by the Board.

(c) *Termination with Good Reason*. Executive may terminate this Agreement for Good Reason, and thereby resign his employment, after providing thirty (30) days' written notice to the Company of the act(s) or omission(s) constituting Good Reason (which notice must be given within ninety (90) days after the occurrence of such act(s) or omission(s) and describe the act(s) or omission(s) in reasonable detail) if such act(s) or omission(s) is/are not cured by the Company within thirty (30) days after Executive provides such written notice. For purposes hereof, "***Good Reason***" means any of the following reasons that occurs without Executive's written consent:

(i) A material reduction in Executive's authority, duties, or responsibilities; or

(ii) A material reduction in Executive's Base Salary, other than a reduction affecting senior management similarly and in no event more than 10% from the Base Salary in effect on the date hereof; or

(iii) Executive's removal from his position as Chief Financial Officer of VNR, other than for Cause or by death or Disability, during the Employment Period, to a position that is not at least equivalent in authority and duties to Chief Financial Officer; or

(iv) Relocation of Executive's principal place of business to a location fifty (50) or more miles from its location as of the Effective Date; or

(v) A material breach by VNR of this Agreement, which materially and adversely affects Executive; or

(vi) VNR's failure to make any material payment to Executive required to be made under the terms of this Agreement.

Upon termination of this Agreement pursuant to this Section 5(c) (other than during a Change of Control Period, which shall be governed by Section 4(b)), VNR shall pay or provide to Executive the following: (i) within ten (10) business days after the Date of Termination, his Accrued Compensation and Reimbursements and (ii) on the 60th day following the Date of Termination, the Severance Payment. Treatment of any awards under the MIP will be as provided under the terms and conditions of the MIP and the applicable individual award agreement.

(d) *Termination by Disability*. VNR, by action of the Board, may terminate this Agreement at any time if Executive shall be deemed in the reasonable judgment of the Board to have sustained a "***Disability***." Executive shall be deemed to have sustained a Disability if and only if he shall have been unable to substantially perform his duties as an employee of VNR as a result of sickness or injury, and shall have remained unable to perform any such duties for a period of more than 180 consecutive days in any twelve (12) month period. Upon termination of this Agreement for Disability, Executive shall only be entitled to (i) Accrued Compensation and Reimbursements, which amount shall be paid within ten (10) business days after the Date of Termination and (ii) any other amounts or benefits to which Executive may be entitled under a separate plan, policy or program maintained by the Company.

(e) *Termination by Death*. This Agreement will terminate automatically upon Executive's death. Upon termination of this Agreement because of Executive's death, VNR shall pay or provide Executive's estate with the following: (i) Accrued Compensation and Reimbursements, which amount shall be paid within ten (10) business days after the Date of Termination and (ii) any other amounts or benefits to which Executive may be entitled under a separate plan, policy or program maintained by the Company.

(f) *Date of Termination*. As used in this Agreement, "***Date of Termination***" means (i) if Executive's employment is terminated by his death, the date of his death; (ii) if Executive's employment is terminated as a result of a Disability or by VNR for Cause or without Cause, then the date specified in a notice delivered to Executive by VNR of such termination, (iii) if Executive's employment is terminated by Executive for Good Reason, then the date specified in the notice of such termination delivered to VNR by Executive, (iv) if Executive's employment terminates due to the giving of a Non-Renewal Notice, the last day of the Employment Period, and (v) if Executive's employment is terminated for any other reason, the date specified therefore in the notice of such termination.

6. Employment.

Upon termination of this Agreement, Executive's employment shall also terminate and cease, and Executive shall be deemed to have voluntarily resigned from all positions and the Board, if Executive is a member of the Board. Executive shall confirm the foregoing resignation(s) by submitting to the Company written confirmation of Executive's resignation(s), and the Company's obligations to pay the Severance Payment or the Change of Control Payment shall be subject to the Company's receipt of such written confirmation.

7. Mitigation.

Upon termination of this Agreement for any reason, amounts to be paid per the express terms of this Agreement shall not be reduced whether or not Executive obtains other employment.

8. Release.

Notwithstanding any other provision in this Agreement to the contrary, as a condition precedent to receiving any change of control or severance payments or benefits set forth in Section 4 or 5 of this Agreement (other than the Accrued Compensation and Reimbursements) in connection with any applicable termination scenario, Executive agrees to execute (and not revoke) a customary severance and release agreement, including a waiver of all claims, reasonably acceptable to the Company (the "***Release***"), within the forty-five (45) day period immediately following the Date of Termination. All revocation rights and timing restrictions shall be set forth in such Release. If Executive fails to execute and deliver the Release, or revokes the Release, Executive agrees that he shall not be entitled to receive any severance payments or benefits set forth in Section 4 or 5 of this Agreement (other than the Accrued Compensation and Reimbursements) in connection with any applicable termination scenario. For purposes of this Agreement, the Release shall be considered to have been executed by Executive if it is signed by his legal representative in the case of legal incompetence or on behalf of Executive's estate in the case of his death.

9. Nondisclosure.

(a) It is understood that Executive during his tenure with the Company has received and will continue to receive access to some or all of the Company's various trade secrets and confidential or proprietary information, including information he has not received before, consisting of, but not limited to, information relating to (i) business operations and methods, (ii) existing and proposed investments and investment strategies, (iii) financial performance, (iv) compensation arrangements and amounts (whether relating to the Company or to any of its employees), (v) contractual relationships, (vi) business partners and relationships, and (vii) marketing strategies (all of the forgoing, "***Confidential Information***"). Confidential Information shall not include: (A) information that Executive may furnish to third parties regarding his obligations under this Section 9 and under Section 10 or (B) information that (1) is general knowledge of Executive or information that becomes generally available to the public by means other than Executive's breach of this Section 9 (for example, not as a result of Executive's unauthorized release of marketing materials), (2) is in Executive's possession, or becomes available to Executive, on a non-confidential basis, from a source other than the Company or (3) Executive is required by law, regulation, court order or discovery demand to disclose; provided, however, that in the case of clause (3), Executive gives the Company, to the extent permitted by law, reasonable notice prior to the disclosure of the Confidential Information and the reasons and circumstances surrounding such disclosure to provide the Company an opportunity to seek a protective order or other appropriate request for confidential treatment of the applicable Confidential Information.

(b) Executive agrees that all Confidential Information, whether prepared by Executive or otherwise coming into his possession, shall remain the exclusive property of the Company during Executive's employment with the Company. Executive further agrees that Executive shall not, except for the benefit of the Company pursuant to the exercise of his duties in accordance with this Agreement or with the prior written consent of the Company, use or disclose to any third party any of the Confidential Information described herein, directly or indirectly, either during Executive's employment with the Company or at any time following the termination of Executive's employment with the Company.

(c) Upon termination of this Agreement, Executive agrees that all Confidential Information and other files, documents, materials, records, notebooks, customer lists, business proposals, contracts, agreements and other repositories containing information concerning the Company or the business of the Company (including all copies thereof) in Executive's possession, custody or control, whether prepared by Executive or others, shall remain with or be returned to the Company as soon as practicable after the Date of Termination.

(d) Nothing in this Agreement will preclude, prohibit or restrict Executive from (i) communicating with, any federal, state or local administrative or regulatory agency or authority, including but not limited to the Securities and Exchange Commission (the "***SEC***"); (ii) participating or cooperating in any investigation conducted by any governmental agency or authority; or (iii) filing a charge of discrimination with the United States Equal Employment Opportunity Commission or any other federal state or local administrative agency or regulatory authority. Nothing in this Agreement, or any other agreement between the parties, prohibits or is intended in any manner to prohibit, Executive from (A) reporting a possible violation of federal or other applicable law or regulation to any governmental agency or entity, including but not limited to the Department of Justice, the SEC, the U.S. Congress, and any governmental agency Inspector General, or (B) making other disclosures that are protected under whistleblower provisions of federal law or regulation. This Agreement does not limit Executive's right to receive an award (including, without limitation, a monetary reward) for information provided to the SEC. Executive does not need the prior authorization of anyone at the Company to make any such reports or disclosures, and Executive is not required to notify the Company that Executive has made such reports or disclosures. Nothing in this Agreement or any other agreement or policy of the Company is intended to interfere with or restrain the immunity provided under 18 U.S.C. §1833(b). Executive cannot be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) (A) in confidence to federal, state or local government officials, directly or indirectly, or to an attorney, and (B) for the purpose of reporting or investigating a suspected violation of law; (ii) in a complaint or other document filed in a lawsuit or other proceeding, if filed under seal; or (iii) in connection with a lawsuit alleging retaliation for reporting a suspected violation of law, if filed under seal and does not disclose the trade secret, except pursuant to a court order. The foregoing provisions regarding protected disclosures are intended to comply with all applicable laws. If any laws are adopted, amended or repealed after the execution of this Agreement, this Section 9(d) shall be deemed to be amended to reflect the same.

10. Non-Competition and Non-solicitation.

(a) As part of the consideration for the compensation and benefits to be paid to Executive hereunder, to protect Confidential Information of the Company and its customers and clients that have been and will be entrusted to Executive, the business goodwill of the Company and its subsidiaries that will be developed in and through Executive and the business opportunities that will be disclosed or entrusted to Executive by the Company and its subsidiaries, and as an additional incentive for the Company to enter into this Agreement, from the date hereof through the first anniversary of the Date of Termination (the "***Restricted Period***"), Executive will not (other than for the benefit of the Company pursuant to this Agreement), directly or indirectly:

(i) engage in, or carry on or assist, individually or as a principal, owner, officer, director, employee, shareholder, consultant, contractor, partner, member, joint venturer, agent, equity owner or in any other capacity whatsoever, any (A) Competing Business or (B) Business Enterprise (as defined below) that is otherwise directly competitive with the Company within the states in which the Company conducts business; "***Competing Business***" means, during the Employment Period, any business directly competitive with the business in which the Company is engaged from time to time in connection with the exploration and production of oil and gas in recognized basins and, following the Employment Period, where VNR was actively conducting such business as of the Date of Termination and during the one-year period preceding the Date of Termination.

(ii) perform for any corporation, partnership, limited liability company, sole proprietorship, joint venture or other business association or entity (a "***Business Enterprise***") engaged in any Competing Business any duty Executive has performed for the Company that involved Executive's access to, or knowledge or application of, Confidential Information;

(iii) induce or attempt to induce any customer, supplier, licensee or other business relation of the Company to cease doing business with the Company or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and the Company;

(iv) induce or attempt to induce any customer, supplier, licensee or other business relation of the Company with whom Executive had direct business contact in dealings during the Employment Period in the course of his employment with the Company to cease doing business with the Company or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and the Company; or

(v) solicit with the purpose of hiring or hire any person who is or, within 180 days after such person ceased to be an employee of the Company, was an employee of the Company.

(b) Notwithstanding the duration of the restrictions set forth in Section 10(a) above and subject to Section 10(e) below, the restrictions set forth under Sections 10(a)(i) and (ii) shall expire after 180 days following the Date of Termination, if Executive terminates this Agreement under Sections 5(c) or 4(b) hereof or the Company terminates Executive's employment without Cause under Sections 5(a) or 4(b).

(c) Notwithstanding the foregoing restrictions of this Section 10, nothing in this Section 10 shall prohibit (i) any investment by Executive, directly or indirectly, in securities which are issued by a Business Enterprise involved in or conducting a Competing Business, provided that Executive, directly or indirectly, does not own more than five percent (5%) of the outstanding equity or voting securities of such Business Enterprise or (ii) Executive, directly or indirectly, from owning any interest in any Business Enterprise which conducts a Competing Business if such interest in such Business Enterprise is owned as of the date of this Agreement and Executive does not have the right, in the case of (i) or (ii), through the ownership of a voting interest or otherwise, to direct the activities of or associated with the business of such Business Enterprise.

(d) Executive acknowledges that each of the covenants of Section 10(a) are in addition to, and shall not be construed as a limitation upon, any other covenant provided in Section 10(a). Executive agrees that the geographic boundaries, scope of prohibited activities, and time duration of each of the covenants set forth in Section 10(a) are reasonable in nature and are no broader than are necessary to maintain the confidentiality and the goodwill of the Company's proprietary and Confidential Information, plans and services and to protect the other legitimate business interests of the Company, including without limitation the goodwill developed by Executive with Company's customers, suppliers, licensees and business relations.

(e) If, during any portion of the Restricted Period, Executive is not in compliance with the terms of Section 10(a), the Company shall be entitled to, among other remedies, compliance by Executive with the terms of Section 10(a) for an additional period of time (*i.e.*, in addition to the Restricted Period) that shall equal the period(s) over which such noncompliance occurred.

(f) The parties hereto intend that the covenants contained in Section 10(a) be construed as a series of separate covenants, one for each defined province in each geographic area in which Executive on behalf of the Company conducts business. Except for geographic coverage, each such separate covenant shall be deemed identical in terms to the applicable covenant contained in Section 10(a). Furthermore, each of the covenants in Section 9(a) shall be deemed a separate and independent covenant, each being enforceable irrespective of the enforceability (with or without reformation) of the other covenants contained in Section 10(a).

11. <u>Notices</u>.

All notices and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given if delivered personally, mailed by certified mail (return receipt requested) or sent by overnight delivery service to the parties at the following addresses or at such other addresses as shall be specified by the parties by like notice, in order of preference of the recipient:

To VNR or the Company: To Executive:
To the Secretary of VNR At the most recent address on file

Notice so given shall, in the case of mail, be deemed to be given and received on the fifth calendar day after posting, and in the case overnight delivery service, on the date of actual delivery.

12. Severability and Reformation.

If any one or more of the terms, provisions, covenants or restrictions of this Agreement shall be determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions shall remain in full force and effect, and the invalid, void or unenforceable provisions shall be deemed severable. Moreover, if any one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be reformed by limiting and reducing it to the minimum extent necessary, so as to be enforceable to the extent compatible with the applicable law as it shall then appear.

13. Assignment.

This Agreement shall be binding upon and inure to the benefit of the heirs and legal representatives of Executive and the permitted assigns and successors of VNR, but neither this Agreement nor any rights or obligations hereunder shall be assignable or otherwise subject to hypothecation by Executive without the express written consent of VNR (except in the case of death by will or by operation of the laws of intestate succession) or by VNR, except that VNR may assign this Agreement to any successor (whether by merger, purchase or otherwise) to all or substantially all of the stock assets or businesses of VNR, if such successor expressly agrees to assume the obligations of VNR hereunder.

14. Amendment.

This Agreement may be amended only by writing signed by both Executive and by a duly authorized representative of VNR (other than Executive).

15. Assistance in Litigation.

Executive shall reasonably cooperate with the Company in the defense or prosecution of any claims or actions now in existence or that may be brought in the future against or on behalf of the Company that relate to events or occurrences that transpired while Executive was employed by the Company. Executive's cooperation in connection with such claims or actions shall include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. Executive also shall cooperate fully with the Company in connection with any investigation or review by any Federal, state, or local regulatory authority as any such investigation or review relates, to events or occurrences that transpired while Executive was employed by the Company. The Company will pay Executive an agreed upon reasonable hourly rate for Executive's cooperation pursuant to this Section 15.

16. Beneficiaries; References.

Executive shall be entitled to select (and change, to the extent permitted under any applicable law) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following Executive's death, and may change such election, in either case by giving the Company written notice thereof. In the event of Executive's death or a judicial determination of his incompetence, reference in this Agreement to Executive shall be deemed, where appropriate, to refer to his beneficiary, estate or other legal representative. Any reference to the masculine gender in this Agreement shall include, where appropriate, the feminine.

17. Use of Name, Likeness and Biography.

The Company shall have the right (but not the obligation) to use, publish and broadcast, and to authorize others to do so, the name, approved likeness and approved biographical material of Executive to advertise, publicize and promote the business of the Company and its affiliates, but not for the purposes of direct endorsement without Executive's consent. This right shall terminate upon the termination of this Agreement. An "approved likeness" and "approved biographical material" shall be, respectively, any photograph or other depiction of Executive, or any biographical information or life story concerning the professional career of Executive.

18. Governing Law.

THIS AGREEMENT SHALL BE CONSTRUED, INTERPRETED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS WITHOUT REFERENCE TO RULES RELATING TO CONFLICTS OF LAW.

19. Entire Agreement.

This Agreement contains the entire understanding between the parties hereto with respect to the subject matter hereof and supersedes in all respects any prior or other agreement or understanding, written or oral, between the Company or any affiliate of the Company and Executive with respect to such subject matter.

20. Withholding.

The Company shall be entitled to withhold from payment to Executive of any amount of withholding required by law.

21. Counterparts.

This Agreement may be executed in two or more counterparts, each of which will be deemed an original.

22. Remedies.

The parties recognize and affirm that in the event of a breach of Sections 9 or 10 of this Agreement, money damages would be inadequate and VNR would not have an adequate remedy at law. Accordingly, the parties agree that in the event of a breach or a threatened breach of Sections 9 or 10, VNR may, in addition and supplementary to other rights and remedies existing in its favor, apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce or prevent any violations of the provisions hereof (without posting a bond or other security). In addition, Executive agrees that in the event a court of competent jurisdiction or an arbitrator finds that Executive violated Section 9 or 10, the time periods set forth in those Sections shall be tolled until such breach or violation has been cured. Executive further agrees that VNR shall have the right to offset the amount of any damages resulting from a breach by Executive of Section 9 or 10 against any payments due Executive under this Agreement. The parties agree that if one of the parties is found to have breached this Agreement by a court of competent jurisdiction or arbitrator, the breaching party will be required to pay the non-breaching party's attorneys' fees reasonably incurred in prosecuting the non-breaching party's claim of breach.

23. Non-Waiver.

The failure by either party to insist upon the performance of any one or more terms, covenants or conditions of this Agreement shall not be construed as a waiver or relinquishment of any right granted hereunder or of any future performance of any such term, covenant or condition, and the obligation of either party with respect hereto shall continue in full force and effect, unless such waiver shall be in writing signed by VNR (other than Executive) and Executive.

24. Announcement.

The Company shall have the right to make public announcements concerning the execution of this Agreement and the terms contained herein, at the Company's discretion.

25. Construction.

The headings and captions of this Agreement are provided for convenience only and are intended to have no effect in construing or interpreting this Agreement. The language in all parts of this Agreement shall be in all cases construed in accordance to its fair meaning and not strictly for or against the Company or Executive.

26. Right to Insure.

The Company shall have the right to secure, in its own name or otherwise, and at its own expense, life, health, accident or other insurance covering Executive, and Executive shall have no right, title or interest in and to such insurance. Executive shall assist the Company in procuring such insurance by submitting to examinations and by signing such applications and other instruments as may be required by the insurance carriers to which application is made for any such insurance.

27. No Inconsistent Obligations.

Executive represents and warrants that to his knowledge he has no obligations, legal, in contract, or otherwise, inconsistent with the terms of this Agreement or with his undertaking employment with the Company to perform the duties described herein. Executive will not disclose to the Company, or use, or induce the Company to use, any confidential, proprietary, or trade secret information of others. Executive represents and warrants that to his knowledge he has returned all property and confidential information belonging to all prior employers, if he is obligated to do so.

28. Binding Agreement.

This Agreement shall inure to the benefit of and be binding upon Executive, his heirs and personal representatives, and the Company, its successors and assigns.

29. Voluntary Agreement.

Each party to this Agreement has read and fully understands the terms and provisions hereof, has had an opportunity to review this Agreement with legal counsel, has executed this Agreement based upon such party's own judgment and advice of counsel (if any), and knowingly, voluntarily, and without duress, agrees to all of the terms set forth in this Agreement. The parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties and no presumption or burden of proof will arise favoring or disfavoring any party because of authorship of any provision of this Agreement. Except as expressly set forth in this Agreement, neither the parties nor their affiliates, advisors and/or their attorneys have made any representation or warranty, express or implied, at law or in equity with respect of the subject matter contained herein. Without limiting the generality of the previous sentence, the Companies, their affiliates, advisors, and/or attorneys have made no representation or warranty to Executive concerning the state or Federal tax consequences to Executive regarding the transactions contemplated by this Agreement.

30. Section 409A of the Code.

This Agreement is intended to comply with Section 409A of the Code, and the Treasury regulations and other interpretive guidance issued thereunder (collectively, "***Section 409A***"), or to be treated as exempt therefrom, and shall be construed and administered in accordance with such intent. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service, as a short-term deferral, or as any other compensation that is otherwise exempt from Section 409A shall be excluded from Section 409A to the maximum extent possible. Any payments to be made under this Agreement upon a termination of Executive's employment that are subject to Section 409A shall only be made if such termination of employment constitutes a "separation from service" under Section 409A. Notwithstanding any provision in this Agreement to the contrary, if any payment or benefit provided for herein would be subject to additional taxes and interest under Section 409A if Executive's receipt of such payment or benefit is not delayed until the earlier of (i) the date of Executive's death or (ii) the date that is six months after the Date of Termination of Executive's employment hereunder (such date, the "***Section 409A Payment Date***"), then such payment or benefit shall not be provided to Executive (or Executive's estate, if applicable) until the Section 409A Payment Date. Each payment under this Agreement is intended to be a "separate payment" and not one of a series of payments for purposes of Section 409A. Notwithstanding the foregoing, the Company does not guarantee any particular tax effect, and Executive shall be solely responsible and liable for the satisfaction of all taxes, penalties and interest that may be imposed on or for the account of Executive in connection with the Agreement (including any taxes, penalties and interest under Section 409A), and neither the Company, nor any of its affiliates, shall have any obligation to indemnify or otherwise hold Executive (or any beneficiary) harmless from any or all of such taxes, penalties or interest.

31. Section 280G

Notwithstanding any other provisions in this Agreement, in the event that any payment or benefit received or to be received by Executive (including, without limitation, any payment or benefit received in connection with a Change of Control of the Company or the termination of Executive's employment, whether pursuant to the terms of this Agreement or any other plan, program, arrangement or agreement) (all such payments and benefits, together, the "***Total Payments***") would be subject (in whole or part), to any excise tax imposed under Section 4999 of the Code, or any successor provision thereto (the "***Excise Tax***"), then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other plan, program, arrangement or agreement, the Company will reduce the Total Payments to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax (but in no event to less than zero); provided, however, that the Total Payments will be reduced only if (a) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state, municipal and local income and employment taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments), is greater than or equal to (b) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state, municipal and local income and employment taxes on such Total Payments and the amount of Excise Tax to which Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments).

In the case of a reduction in the Total Payments, the Total Payments will be reduced in the following order: (1) payments that are payable in cash that are valued at full value under Treasury Regulation Section 1.280G-l, Q&A24(a) will be reduced (if necessary, to zero), with amounts that are payable last reduced first; (2) payments and benefits due in respect of any equity valued at full value under Treasury Regulation Section 1.280G-1, Q&A24(a), with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24), will next be reduced; (3) payments that are payable in cash that are valued at less than full value under Treasury Regulation Section l .280G-1, Q&A 24, with amounts that are payable last reduced first, will next be reduced; (4) payments and benefits due in respect of any equity valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24, with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-l, Q&A 24), will next be reduced; and (5) all other non-cash benefits not otherwise described in clause (2) or (4) will be next reduced pro-rata. Any reductions made pursuant to each of clauses (1) through (4) above will be made in the following manner: first, a pro-rata reduction of cash payment and payments and benefits due in respect of any equity not subject to Section 409A of the Code, and second, a pro-rata reduction of cash payments and payments and benefits due in respect of any equity subject to Section 409A of the Code as deferred compensation.

For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax: (A) no portion of the Total Payments the receipt or enjoyment of which Executive shall have waived at such time and in such manner as not to constitute a "payment" within the meaning of Section 280G(b) of the Code will be taken into account; (B) no portion of the Total Payments will be taken into account that, in the opinion of the Company, does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code (including, without limitation, by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Total Payments will be taken into account that, in the opinion of the Company, constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the "base amount" (as set forth in Section 280G(b)(3) of the Code) that is allocable to such reasonable compensation; and (C) the value of any non-cash benefit or any deferred payment or benefit included in the Total Payments will be determined by the Company in accordance with the principles of Sections 280G(d)(3) and (4) of the Code.

32. Indemnification

VNR will defend and indemnify Executive as provided in VNR's Bylaws and Certificate of Incorporation, and to the maximum extent permitted pursuant to applicable law. The obligations under this section shall survive termination of Executive's employment or this Agreement. During the Employment Period and thereafter (with respect to events occurring during the Employment Period), VNR will maintain and provide Executive with coverage under its directors' and officers' liability policy to the same extent that it provides such coverage to its other officers and directors.

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement on the dates below

EXECUTIVE

Ryan Midgett
Date: 1/17/18

VANGUARD NATURAL RESOURCES, INC.

By: Scott Sloan
Its: President Chief Executive Officer
Date: 1/17/18

Exhibit 10.3

RESTRICTED STOCK UNIT AWARD AGREEMENT
VANGUARD NATURAL RESOURCES, INC.
2017 Management Incentive Plan

This Restricted Stock Unit Award Agreement (this "Agreement") is made as of the [●] day of [●], 2018 (the "Grant Date") between Vanguard Natural Resources, Inc. (the "Company"), and [●] ("Participant"), and is made pursuant to the terms of the Vanguard Natural Resources, Inc. 2017 Management Incentive Plan (the "Plan"). Any capitalized term used herein but not defined shall have the meaning set forth in the Plan.

Section 1. Grant of Restricted Stock Units. The Company hereby grants to Participant, on the terms and conditions hereinafter set forth, a Restricted Stock Unit Award consisting of [●] restricted stock units ("Restricted Stock Units"), subject to the terms and conditions set forth in this Agreement and the Plan. Subject to the terms and conditions set forth in this Agreement and the Plan, each Restricted Stock Unit represents the right to receive one share of Common Stock.

Section 2. Vesting of the Restricted Stock Units.

(a) Generally. Except as otherwise provided herein, 1/3 of the Restricted Stock Units will vest on each of the first three anniversaries of October 30, 2017 (each, a "Vesting Date"), in each case subject to Participant's continuous Service on the applicable Vesting Date.

(b) Qualified Liquidity Event. For purposes of this Agreement, the term "Qualified Liquidity Event" shall have the definition set forth in the Plan, except that 60% shall be deemed to replace 40% in clause (c) of the definition in the Plan. Upon the occurrence of a Qualified Liquidity Event where a Replacement Award (as defined below) is provided to Participant at the time of the Qualified Liquidity Event in lieu of the Restricted Stock Units, the Restricted Stock Units that remain outstanding and unvested as of immediately prior to the Qualified Liquidity Event shall remain outstanding and unvested. Upon the occurrence of a Qualified Liquidity Event where a Replacement Award is not provided to Participant in lieu of the Restricted Stock Units, the Restricted Stock Units shall immediately vest, and the date of such Qualified Liquidity Event will be treated as the Vesting Date for purposes of Section 4. Any Restricted Stock Units that vest or become payable as a result of or in connection with a Qualified Liquidity Event may be subject to the same terms and conditions applicable to the proceeds realized by the Company or its shareholders, in connection therewith (including, without limitation, payment timing and any escrows, indemnities, payment contingencies or holdbacks), as determined by the Committee in its good faith discretion, subject to compliance with Section 409A of the Code ("Section 409A").

(c) Replacement Award. A "Replacement Award" is an Award that (i) is the same (i.e., the Award continues) or is of the same type as the Award that is replaced or adjusted by a Replacement Award (the "Replaced Award") (i.e., restricted stock units); (ii) has a value at least equal to the value of the Replaced Award at the time of the Qualified Liquidity Event; (iii) is subject to the same vesting schedule as the Replaced Award; (iv) relates to equity securities of the Company or its successor upon the Qualified Liquidity Event, or another entity that is affiliated with the Company or its successor upon the Qualified Liquidity Event, which securities are subject to an effective registration statement under the Securities Act; (v) if Participant is subject to U.S. federal income tax under the Code, the tax consequences to Participant under the Code of the Replacement Award are not less favorable to Participant than the tax consequences of the Replaced Award; and (vi) its other terms and conditions are not less favorable to Participant than the terms and conditions of the Replaced Award (including, but not limited to, the provisions that would apply in the event of a subsequent Qualified Liquidity Event). Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Replaced Award if the requirements of the preceding sentence are satisfied. The determination of whether the requirements for a Replacement Award are satisfied will be made by the Committee, as constituted immediately before the Qualified Liquidity Event, in its good faith discretion (taking into account the requirements of Treasury Regulation 1.409A-3(i)(5)(iv)(B) and compliance of the Replaced Award or Replacement Award with Section 409A).

Section 3. Termination of Service. Upon the occurrence of a termination of Participant's Service, the Restricted Stock Units shall be treated as set forth below:

(a) Qualifying Termination Not During a QLE Period. Upon the occurrence of a termination of Participant's Service (i) by the Company and its Affiliates without Cause, provided that, for purposes of this Agreement, if Participant is a party to an employment agreement or offer letter with the Company that includes a definition of Cause, then such definition shall continue to apply for purposes of this Agreement after any expiration or non-renewal of such employment agreement or offer letter (unless there is a replacement employment agreement or offer letter), (ii) [[by Participant for Good Reason (as defined in Participant's Employment Agreement with the Company, dated [___], 2017)]/ if Participant is a party to an employment agreement or offer letter with the Company that includes the concept, by Participant for "good reason," "constructive termination" or like term (as such term is defined in, and determined pursuant to, Participant's employment agreement or offer letter with the Company)]][1], provided that such concept shall continue to apply for purposes of this Agreement after any expiration or non-renewal of such employment agreement or offer letter (unless there is a replacement employment agreement or offer letter), or (iii) by reason of Participant's death or Disability (each, regardless of whether Participant's employment agreement with the Company then remains in effect, a "Qualifying Termination"), in each case not occurring upon or during a QLE Period (as defined below), Participant will vest in the next tranche of Restricted Stock Units scheduled to vest under Section 2 hereof, and the date of such termination of Participant's Service will be treated as the Vesting Date for purposes of Section 4. For the avoidance of doubt, any expiration or non-renewal of Participant's employment agreement with the Company will not, in and of itself, constitute a Qualifying Termination for purposes of this Agreement.

(b) Qualifying Termination During a QLE Period. If, prior to a Qualified Liquidity Event, Participant incurs a Qualifying Termination during a QLE Period, then all Restricted Stock Units that remain outstanding and unvested immediately prior to the Qualifying Termination shall immediately vest and become non-forfeitable, and the date of such Qualifying Termination will be treated as the Vesting Date for purposes of Section 4. If, simultaneously with or following a Qualified Liquidity Event in connection with which a Replacement Award was provided to Participant in lieu of the Restricted Stock Units, Participant incurs a Qualifying Termination during a QLE Period, then the portion of the Replacement Award that remains outstanding and unvested immediately prior to the Qualifying Termination shall immediately vest and become non-forfeitable, and the date of such Qualifying Termination will be treated as the Vesting Date for purposes of Section 4.

[1] Insert as applicable.

(c) A "QLE Period" is any time either (i) during the 12-month period following a Qualified Liquidity Event or (ii) while the Company is party to a definitive transaction agreement that contemplates transactions which would result in a Qualified Liquidity Event if such transactions were consummated.

(d) Termination for Cause. Upon the occurrence of a termination of Participant's Service by the Company or any of its Affiliates for Cause, all vested and unvested Restricted Stock Units shall be forfeited and cancelled and Participant shall not be entitled to any compensation or other amount with respect thereto.

(e) Other Terminations of Service. Upon the occurrence of a termination of Participant's Service for any reason other than as provided in Section 3(a) or (b), all unvested Restricted Stock Units shall be forfeited and cancelled, and Participant shall not be entitled to any compensation or other amount with respect thereto.

Section 4. Settlement. Any Restricted Stock Units that become vested and non-forfeitable pursuant to Section 2 or Section 3 ("Vested RSUs") shall be settled within three days following the applicable Vesting Date. Vested RSUs will be settled by the Company through the delivery to Participant of a number of shares of Common Stock equal to the number of Vested RSUs (rounded down to the nearest whole number). No fractional shares of Common Stock shall be issued with respect to any Vested RSUs. Notwithstanding the foregoing, if Participant is subject to a trading blackout on the settlement date otherwise applicable pursuant to this Section 4, then the Vested RSUs shall instead be settled as soon as reasonably practicable (and in any event within three days) following the date on which the trading blackout is no longer applicable (but in no event later than March 15th of the calendar year following the calendar year in which the earlier of the Vesting Date or Participant's Qualifying Termination occurred).

Section 5. Restrictions on Transfer. No Restricted Stock Units (nor any interest therein) may be transferred, pledged, assigned, hypothecated or otherwise disposed of in any way by Participant, except by will or by the laws of descent and distribution. In the event that Participant becomes legally incapacitated, Participant's rights with respect to the Restricted Stock Units shall be exercisable by Participant's legal guardian or legal representative. The Restricted Stock Units shall not be subject to execution, attachment or similar process. Any attempted assignment, transfer, pledge, hypothecation or other disposition of the Restricted Stock Units contrary to the provisions hereof, and the levy of any execution, attachment or similar process upon any Restricted Stock Units, shall be null and void and without effect. Notwithstanding the foregoing, Participant may, with the prior written consent of the Committee, make transfers of Restricted Stock Units to immediate family members or to a trust, the sole beneficiaries of which are Participant or immediate family members, in each case solely for estate planning purposes, in all instances subject to compliance with any applicable spousal consent requirements and all other applicable laws.

Section 6. Investment Representation. The Restricted Stock Units are being granted to Participant as of the Grant Date pursuant to an effective registration statement under the Securities Act relating to the shares of Common Stock underlying the Restricted Stock Units. However, upon any acquisition of the shares of Common Stock underlying the Restricted Stock Units at a time when there is not in effect a registration statement under the Securities Act relating to the shares of Common Stock, Participant hereby represents and warrants, and by virtue of such acquisition shall be deemed to represent and warrant, to the Company that such shares of Common Stock shall be acquired for investment and not with a view to the distribution thereof, and not with any present intention of distributing the same, and Participant shall provide the Company with such further representations and warranties as the Company may reasonably require in order to ensure compliance with applicable federal and state securities, blue sky and other laws.

Section 7. Adjustments. The Restricted Stock Units granted hereunder shall be subject to the provisions of Section 4.2 of the Plan.

Section 8. No Right of Continued Service. Nothing in the Plan or this Agreement shall confer upon Participant any right to continued Service with the Company or any Affiliate.

Section 9. Limitation of Rights; Dividend Equivalents. Participant shall not have any privileges of a stockholder of the Company with respect to any Restricted Stock Units, including, without limitation, any right to vote any shares of Common Stock underlying such Restricted Stock Units or to receive dividends or other distributions or payments of any kind in respect thereof or exercise any other right of a holder of any such securities, unless and until there is a date of settlement and issuance to Participant of the underlying shares of Common Stock. Notwithstanding the foregoing, the Restricted Stock Unit Award granted hereunder is hereby granted in tandem with corresponding dividend equivalents with respect to each share of Common Stock underlying the Restricted Stock Unit Award granted hereunder (each, a "Dividend Equivalent"), which Dividend Equivalent shall remain outstanding from the Grant Date until the earlier of the settlement or forfeiture of the Restricted Stock Unit to which it corresponds. Participant shall be entitled to accrue payments equal to dividends declared, if any, on the Common Stock underlying the Restricted Stock Unit to which such Dividend Equivalent relates, payable in cash and subject to the vesting of the Restricted Stock Unit to which it relates, at the time the Common Stock underlying the Restricted Stock Unit is settled and delivered to Participant pursuant to Section 4; provided, however, if any dividends or distributions are paid in shares of Common Stock, the shares of Common Stock shall be deposited with the Company, shall be deemed to be part of the Dividend Equivalent, and shall be subject to the same vesting requirements, restrictions on transferability and forfeitability as the Restricted Stock Units to which they correspond. Dividend Equivalents shall not entitle Participant to any payments relating to dividends declared after the earlier to occur of the settlement or forfeiture of the Restricted Stock Units underlying such Dividend Equivalents.

Section 10. Construction. The Restricted Stock Unit Award granted hereunder is granted pursuant to the Plan and is in all respects subject to the terms and conditions of the Plan. Participant hereby acknowledges that a copy of the Plan has been delivered to Participant and accepts the Restricted Stock Unit Award hereunder subject to all terms and provisions of the Plan, which are incorporated herein by reference. In the event of a conflict or ambiguity between any term or provision contained herein and a term or provision of the Plan, the Plan will govern and prevail. The construction of and decisions under the Plan and this Agreement are vested in the Committee, whose determinations shall be final, conclusive and binding upon Participant.

Section 11. Notices. Any notice hereunder by Participant shall be given to the Company in writing and such notice shall be deemed duly given only upon receipt thereof by the General Counsel of the Company at the Company's principal executive offices. Any notice hereunder by the Company shall be given to Participant in writing at the most recent address as Participant may have on file with the Company.

Section 12. Governing Law. This Agreement shall be construed and enforced in accordance with, the laws of the State of Delaware, without giving effect to the choice of law principles thereof.

Section 13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

Section 14. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

Section 15. Section 409A. This Agreement is intended to comply with Section 409A or an exemption thereunder and shall be construed and administered in accordance with Section 409A. Notwithstanding any other provision of the Plan or this Agreement, payments provided under this Agreement may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. Any payments under this Agreement that may be excluded from Section 409A shall be excluded from Section 409A to the maximum extent possible. The Restricted Stock Units granted hereunder shall be subject to the provisions of Section 13.3 of the Plan. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement comply with Section 409A, and in no event shall the Company or any of its Subsidiaries or Affiliates be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Participant on account of non-compliance with Section 409A or otherwise.

Section 16. Entire Agreement. Participant acknowledges and agrees that this Agreement and the Plan constitute the entire agreement between the parties with respect to the subject matter hereof and thereof, superseding any and all prior agreements whether verbal or otherwise, between the parties with respect to such subject matter.

Section 17. Clawback. The Restricted Stock Unit Award will be subject to recoupment in accordance with any clawback or recoupment policy of the Company, including, without limitation, any clawback or recoupment policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law.

Section 18. Taxes. The Restricted Stock Units granted under this Agreement shall be subject to withholding in accordance with Section 13.4 of the Plan. If required by law, the Company will withhold or cause to be withheld federal, state and/or local income or any other applicable taxes in connection with the settlement or vesting of the Restricted Stock Units.

Section 19. Lock-Up Period. If so requested by the Company or the underwriters in connection with an IPO, Participant shall not sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however or whenever acquired without the prior written consent of the Company or such underwriters, as the case may be, for up to 180 days from the effective date of the registration statement, plus such additional period as may be required by applicable law, exchange rules or regulations, and Participant shall execute an agreement reflecting the foregoing as may be requested by the underwriters or the Company at the time of such offering.

[**Section 20**. **Coordination**. Participant hereby acknowledges that this Restricted Stock Unit Award satisfies the Company's obligations with respect to the "MIP" pursuant to Section 5(c)(vii) of Participant's Employment Agreement with the Company, dated [___], 2017, and that Participant has not claimed, and may no longer claim, Good Reason thereunder as a result of such Section 5(c)(vii).][2]

(SIGNATURES ON FOLLOWING PAGE)

[2] Insert as applicable.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date first above written.

VANGUARD NATURAL RESOURCES, INC.

By: _____
Name: _____
Title: _____

PARTICIPANT

_____
Name:
Date:

Exhibit 10.4

RESTRICTED STOCK UNIT AWARD AGREEMENT
PERFORMANCE-BASED

VANGUARD NATURAL RESOURCES, INC.
2017 Management Incentive Plan

This Restricted Stock Unit Award Agreement (this "Agreement") is made as of the [●] day of [●], 2018 (the "Grant Date") between Vanguard Natural Resources, Inc. (the "Company"), and [●] ("Participant"), and is made pursuant to the terms of the Vanguard Natural Resources, Inc. 2017 Management Incentive Plan (the "Plan"). Any capitalized term used herein but not defined shall have the meaning set forth in the Plan.

Section 1. Grant of Restricted Stock Units. The Company hereby grants to Participant, on the terms and conditions hereinafter set forth, a Restricted Stock Unit Award consisting of a maximum of [●] restricted stock units ("Restricted Stock Units"), subject to the terms and conditions set forth in this Agreement and the Plan. Subject to Section 2(b) hereof, Participant's right to receive all or any portion of the Restricted Stock Units granted hereunder is contingent upon the Company's achievement of the performance goal ("Performance Goal") specified in the performance matrix attached as Exhibit A to this Agreement (the "Performance Matrix"), measured over the "Performance Period" indicated in the Performance Matrix. Participant's overall target-level Award hereunder is equal to [●] Restricted Stock Units (the "Target Award"). Subject to the terms and conditions set forth in this Agreement and the Plan, each Restricted Stock Unit represents the right to receive one share of Common Stock.

Section 2. Vesting of the Restricted Stock Units.

(a) Determination of Earned Award. Subject to Section 2(b) hereof, within 60 days following the end of the Performance Period, the Committee shall certify whether and to what extent the Award has been earned for the Performance Period (the actual date of such Committee certification, the "Determination Date"). The Committee's determination of the foregoing shall be final and binding on Participant absent a showing of manifest error or that the Committee acted in bad faith. Upon such determinations by the Committee, the applicable portion of the Restricted Stock Units determined by the Payout Percentage (as defined in the Performance Matrix) as a fraction of the Target Award shall vest and become non-forfeitable (subject to Participant's continuous Service from the Grant Date through the end of the Performance Period). On the Determination Date, any Restricted Stock Units which do not vest in accordance with the immediately preceding sentence shall immediately be forfeited and cancelled, and Participant shall not be entitled to any compensation or other amount with respect thereto. Notwithstanding any other provision of this Agreement, but subject to Sections 2(b) and 3 hereof, no portion of the Restricted Stock Units shall vest until the Committee has made the foregoing determinations.

(b) Qualified Liquidity Event. For purposes of this Agreement, the term "Qualified Liquidity Event" shall have the definition set forth in the Plan, except that 60% shall be deemed to replace 40% in clause (c) of the definition in the Plan. Upon the occurrence of a Qualified Liquidity Event prior to the end of the Performance Period where a Replacement Award (as defined below) is provided to Participant at the time of the Qualified Liquidity Event in lieu of the Restricted Stock Units, the Restricted Stock Units that remain outstanding and unvested as of immediately prior to the Qualified Liquidity Event shall remain outstanding and unvested, but the performance conditions with respect thereto shall be deemed satisfied at the target level of achievement. Upon the occurrence of a Qualified Liquidity Event where a Replacement Award is not provided to Participant in lieu of the Restricted Stock Units, the Restricted Stock Units shall immediately vest at the target level of achievement. In either case, all Restricted Stock Units in excess of such target achievement level shall immediately be forfeited and cancelled, and Participant shall not be entitled to any compensation or other amount with respect thereto. For the avoidance of doubt, the Restricted Stock Units attributable to the target level of achievement shall be determined by multiplying the number of Restricted Stock Units that remain outstanding and unvested (and, for the avoidance of doubt, which have not been cancelled pursuant to Section 3 hereof) as of immediately prior to the Qualified Liquidity Event by a fraction, the numerator of which is the Target Award, and the denominator of which is the total maximum number of Restricted Stock Units originally granted hereunder, and with the result rounded down to the nearest whole number of Restricted Stock Units. Any Restricted Stock Units that vest or become payable as a result of or in connection with a Qualified Liquidity Event may be subject to the same terms and conditions applicable to the proceeds realized by the Company or its shareholders, in connection therewith (including, without limitation, payment timing and any escrows, indemnities, payment contingencies or holdbacks), as determined by the Committee in its good faith discretion, subject to compliance with Section 409A of the Code ("Section 409A").

(c) Replacement Award. A "Replacement Award" is an Award that (i) is the same (i.e., the Award continues) or is of the same type as the Award that is replaced or adjusted by a Replacement Award (the "Replaced Award") (i.e., restricted stock units); (ii) has a value at least equal to the value of the Replaced Award at the time of the Qualified Liquidity Event; (iii) is subject to the same vesting schedule as the Replaced Award; (iv) relates to equity securities of the Company or its successor upon the Qualified Liquidity Event, or another entity that is affiliated with the Company or its successor upon the Qualified Liquidity Event, which securities are subject to an effective registration statement under the Securities Act; (v) if Participant is subject to U.S. federal income tax under the Code, the tax consequences to Participant under the Code of the Replacement Award are not less favorable to Participant than the tax consequences of the Replaced Award; and (vi) its other terms and conditions are not less favorable to Participant than the terms and conditions of the Replaced Award (including, but not limited to, the provisions that would apply in the event of a subsequent Qualified Liquidity Event). Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Replaced Award if the requirements of the preceding sentence are satisfied. The determination of whether the requirements for a Replacement Award are satisfied will be made by the Committee, as constituted immediately before the Qualified Liquidity Event, in its good faith discretion (taking into account the requirements of Treasury Regulation 1.409A-3(i)(5)(iv)(B) and compliance of the Replaced Award or Replacement Award with Section 409A).

Section 3. Termination of Service. Upon the occurrence of a termination of Participant's Service, the Restricted Stock Units shall be treated as set forth below:

(a) Qualifying Termination Not During a QLE Period. Upon the occurrence of a termination of Participant's Service (i) by the Company and its Affiliates without Cause, provided that, for purposes of this Agreement, if Participant is a party to an employment agreement or offer letter with the Company that includes a definition of Cause, then such definition shall continue to apply for purposes of this Agreement after any expiration or non-renewal of such employment agreement or offer letter (unless there is a replacement employment agreement or offer letter), (ii) [[by Participant for Good Reason (as defined in Participant's Employment Agreement with the Company, dated [___], 2017)]/[if Participant is a party to an employment agreement or offer letter with the Company that includes the concept, by Participant for "good reason," "constructive termination" or like term (as such term is defined in, and determined pursuant to, Participant's employment agreement or offer letter with the Company)]][1], provided that such concept shall continue to apply for purposes of this Agreement after any expiration or non-renewal of such employment agreement or offer letter (unless there is a replacement employment agreement or offer letter), or (iii) by reason of Participant's death or Disability (each, regardless of whether Participant's employment agreement with the Company then remains in effect, a "Qualifying Termination"), in each case (i) occurring prior to the end of the Performance Period and (ii) not occurring during a QLE Period (as defined below), Participant will remain eligible to vest (determined in accordance with Section 2(a)) in a pro rata portion of the Restricted Stock Units, determined by multiplying the total number of Restricted Stock Units remaining outstanding and unvested immediately prior to the Qualifying Termination by a fraction, the numerator of which is the number of full months that Participant provided continuous Service during the Performance Period, and the denominator of which is the number of full months in the full Performance Period. All Restricted Stock Units in excess of the pro rata portion thereof that remains outstanding and eligible to vest in accordance with the immediately-preceding sentence shall immediately be forfeited and cancelled, and Participant shall not be entitled to any compensation or other amount with respect thereto. If a Qualified Liquidity Event occurs upon or following Participant's Qualifying Termination, and prior to the end of the Performance Period, then the Restricted Stock Units remaining outstanding and unvested immediately prior to the Qualified Liquidity Event (after application of the foregoing provisions of this Section 3(a)) shall vest and become non-forfeitable at the target level of achievement (determined in accordance with Section 2(b) hereof) immediately upon the occurrence of the Qualified Liquidity Event. For the avoidance of doubt, any expiration or non-renewal of Participant's employment agreement with the Company will not, in and of itself, constitute a Qualifying Termination for purposes of this Agreement.

[1] Insert as applicable.

(b) Qualifying Termination During a QLE Period. If, prior to the end of the Performance Period and prior to a Qualified Liquidity Event, Participant incurs a Qualifying Termination during a QLE Period, then the Target Award shall immediately vest and become non-forfeitable. If, prior to the end of the Performance Period and simultaneously with or following a Qualified Liquidity Event in connection with which a Replacement Award was provided to Participant in lieu of the Restricted Stock Units, Participant incurs a Qualifying Termination during a QLE Period, then the portion of the Replacement Award that remains outstanding and unvested following the Qualified Liquidity Event and immediately prior to the Qualifying Termination (i.e., the Target Award) shall immediately vest and become non-forfeitable. In either case, no Restricted Stock Units in excess of the Target Award shall vest pursuant to this Agreement, and all Restricted Stock Units in excess of the Target Award shall immediately be forfeited and cancelled, and Participant shall not be entitled to any compensation or other amount with respect thereto. A "QLE Period" is any time either (i) during the 12-month period following a Qualified Liquidity Event or (ii) while the Company is party to a definitive transaction agreement that contemplates transactions which would result in a Qualified Liquidity Event if such transactions were consummated.

(c) Termination for Cause. Upon the occurrence of a termination of Participant's Service by the Company or any of its Affiliates for Cause, all vested and unvested Restricted Stock Units shall be forfeited and cancelled and Participant shall not be entitled to any compensation or other amount with respect thereto.

(d) Other Terminations of Service. Upon the occurrence of a termination of Participant's Service prior to the end of the Performance Period for any reason other than as provided in Section 3(a) or (b), all unvested Restricted Stock Units shall be forfeited and cancelled and Participant shall not be entitled to any compensation or other amount with respect thereto. For the avoidance of doubt, upon the occurrence of a termination of Participant's Service following the end of the Performance Period (other than for Cause), but prior to the Determination Date, the Restricted Stock Units that remain outstanding and unvested as of immediately prior to the such termination of Participant's Service shall remain outstanding and eligible to vest pursuant to Section 2, as applicable.

Section 4. Settlement. Any Restricted Stock Units that become vested and non-forfeitable pursuant to Section 2 or Section 3 ("Vested RSUs") shall be settled within three days following the Determination Date (but in no event later than March 15th of the calendar year following the calendar year in which the Performance Period ended); provided, however, that (a) if a Qualified Liquidity Event occurs and a Replacement Award is not provided to Participant in lieu of the Restricted Stock Units, then the Vested RSUs shall be settled immediately upon the Qualified Liquidity Event; (b) if a Qualified Liquidity Event occurs simultaneously with or following a Qualifying Termination, then the Vested RSUs shall be settled immediately upon the Qualified Liquidity Event; and (c) if a Qualifying Termination occurs following a Qualified Liquidity Event, and prior to the end of the Performance Period, then the vested portion of the Replacement Award shall be settled within three days following the Qualifying Termination. Vested RSUs will be settled by the Company through the delivery to Participant of a number of shares of Common Stock equal to the number of Vested RSUs (rounded down to the nearest whole number). No fractional shares of Common Stock shall be issued with respect to any Vested RSUs. Notwithstanding the foregoing, if Participant is subject to a trading blackout on the settlement date otherwise applicable pursuant to this Section 4, then the Vested RSUs shall instead be settled as soon as reasonably practicable (and in any event within three days) following the date on which the trading blackout is no longer applicable (but in no event later than March 15th of the calendar year following the calendar year in which the Performance Period ended).

Section 5. Restrictions on Transfer. No Restricted Stock Units (nor any interest therein) may be transferred, pledged, assigned, hypothecated or otherwise disposed of in any way by Participant, except by will or by the laws of descent and distribution. In the event that Participant becomes legally incapacitated, Participant's rights with respect to the Restricted Stock Units shall be exercisable by Participant's legal guardian or legal representative. The Restricted Stock Units shall not be subject to execution, attachment or similar process. Any attempted assignment, transfer, pledge, hypothecation or other disposition of the Restricted Stock Units contrary to the provisions hereof, and the levy of any execution, attachment or similar process upon any Restricted Stock Units, shall be null and void and without effect. Notwithstanding the foregoing, Participant may, with the prior written consent of the Committee, make transfers of Restricted Stock Units to immediate family members or to a trust, the sole beneficiaries of which are Participant or immediate family members, in each case solely for estate planning purposes, in all instances subject to compliance with any applicable spousal consent requirements and all other applicable laws.

Section 6. Investment Representation. The Restricted Stock Units are being granted to Participant as of the Grant Date pursuant to an effective registration statement under the Securities Act relating to the shares of Common Stock underlying the Restricted Stock Units. However, upon any acquisition of the shares of Common Stock underlying the Restricted Stock Units at a time when there is not in effect a registration statement under the Securities Act relating to the shares of Common Stock, Participant hereby represents and warrants, and by virtue of such acquisition shall be deemed to represent and warrant, to the Company that such shares of Common Stock shall be acquired for investment and not with a view to the distribution thereof, and not with any present intention of distributing the same, and Participant shall provide the Company with such further representations and warranties as the Company may reasonably require in order to ensure compliance with applicable federal and state securities, blue sky and other laws.

Section 7. Adjustments. The Restricted Stock Units granted hereunder shall be subject to the provisions of Section 4.2 of the Plan.

Section 8. No Right of Continued Service. Nothing in the Plan or this Agreement shall confer upon Participant any right to continued Service with the Company or any Affiliate.

Section 9. Limitation of Rights; Dividend Equivalents. Participant shall not have any privileges of a stockholder of the Company with respect to any Restricted Stock Units, including, without limitation, any right to vote any shares of Common Stock underlying such Restricted Stock Units or to receive dividends or other distributions or payments of any kind in respect thereof or exercise any other right of a holder of any such securities, unless and until there is a date of settlement and issuance to Participant of the underlying shares of Common Stock. Notwithstanding the foregoing, the Restricted Stock Unit Award granted hereunder is hereby granted in tandem with corresponding dividend equivalents with respect to each share of Common Stock underlying the Restricted Stock Unit Award granted hereunder (each, a "Dividend Equivalent"), which Dividend Equivalent shall remain outstanding from the Grant Date until the earlier of the settlement or forfeiture of the Restricted Stock Unit to which it corresponds. Participant shall be entitled to accrue payments equal to dividends declared, if any, on the Common Stock underlying the Restricted Stock Unit to which such Dividend Equivalent relates, payable in cash and subject to the vesting of the Restricted Stock Unit to which it relates, at the time the Common Stock underlying the Restricted Stock Unit is settled and delivered to Participant pursuant to Section 4; provided, however, if any dividends or distributions are paid in shares of Common Stock, the shares of Common Stock shall be deposited with the Company, shall be deemed to be part of the Dividend Equivalent, and shall be subject to the same vesting requirements, restrictions on transferability and forfeitability as the Restricted Stock Units to which they correspond. Dividend Equivalents shall not entitle Participant to any payments relating to dividends declared after the earlier to occur of the settlement or forfeiture of the Restricted Stock Units underlying such Dividend Equivalents.

Section 10. Construction. The Restricted Stock Unit Award granted hereunder is granted pursuant to the Plan and is in all respects subject to the terms and conditions of the Plan. Participant hereby acknowledges that a copy of the Plan has been delivered to Participant and accepts the Restricted Stock Unit Award hereunder subject to all terms and provisions of the Plan, which are incorporated herein by reference. In the event of a conflict or ambiguity between any term or provision contained herein and a term or provision of the Plan, the Plan will govern and prevail. The construction of and decisions under the Plan and this Agreement are vested in the Committee, whose determinations shall be final, conclusive and binding upon Participant.

Section 11. Notices. Any notice hereunder by Participant shall be given to the Company in writing and such notice shall be deemed duly given only upon receipt thereof by the General Counsel of the Company at the Company's principal executive offices. Any notice hereunder by the Company shall be given to Participant in writing at the most recent address as Participant may have on file with the Company.

Section 12. Governing Law. This Agreement shall be construed and enforced in accordance with, the laws of the State of Delaware, without giving effect to the choice of law principles thereof.

Section 13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

Section 14. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

Section 15. Section 409A. This Agreement is intended to comply with Section 409A or an exemption thereunder and shall be construed and administered in accordance with Section 409A. Notwithstanding any other provision of the Plan or this Agreement, payments provided under this Agreement may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. Any payments under this Agreement that may be excluded from Section 409A shall be excluded from Section 409A to the maximum extent possible. The Restricted Stock Units granted hereunder shall be subject to the provisions of Section 13.3 of the Plan. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement comply with Section 409A, and in no event shall the Company or any of its Subsidiaries or Affiliates be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Participant on account of non-compliance with Section 409A or otherwise.

Section 16. Entire Agreement. Participant acknowledges and agrees that this Agreement and the Plan constitute the entire agreement between the parties with respect to the subject matter hereof and thereof, superseding any and all prior agreements whether verbal or otherwise, between the parties with respect to such subject matter.

Section 17. Clawback. The Restricted Stock Unit Award will be subject to recoupment in accordance with any clawback or recoupment policy of the Company, including, without limitation, any clawback or recoupment policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law.

Section 18. Taxes. The Restricted Stock Units granted under this Agreement shall be subject to withholding in accordance with Section 13.4 of the Plan. If required by law, the Company will withhold or cause to be withheld federal, state and/or local income or any other applicable taxes in connection with the settlement or vesting of the Restricted Stock Units.

Section 19. Lock-Up Period. If so requested by the Company or the underwriters in connection with an IPO, Participant shall not sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however or whenever acquired without the prior written consent of the Company or such underwriters, as the case may be, for up to 180 days from the effective date of the registration statement, plus such additional period as may be required by applicable law, exchange rules or regulations, and Participant shall execute an agreement reflecting the foregoing as may be requested by the underwriters or the Company at the time of such offering.

[**Section 20.** Coordination. Participant hereby acknowledges that this Restricted Stock Unit Award satisfies the Company's obligations with respect to the "MIP" pursuant to Section 5(c)(vii) of Participant's Employment Agreement with the Company, dated [___], 2017, and that Participant has not claimed, and may no longer claim, Good Reason thereunder as a result of such Section 5(c)(vii).][2]

(SIGNATURES ON FOLLOWING PAGE)

[2] Insert as applicable

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date first above written.

VANGUARD NATURAL RESOURCES, INC.

By: _____
Name: _____
Title: _____

PARTICIPANT

_____
Name:
Date:

EXHBIT A

Performance Matrix

The "Performance Period" shall be January 1, 2018 through December 31, 2020.

The "Performance Goal" shall be the three-year total shareholder return ("TSR") of the Company relative to the other entities in the TSR Index (as defined below). Achievement of the Performance Goal shall be determined by the percentile rank of the Company's TSR relative to the TSR of each other entity in the TSR Index.

Determination of TSR: TSR for the Company and each other entity in the TSR Index shall be determined in accordance with the following formula. TSR shall be equal to the quotient of (a) divided by (b), expressed as a percentage, where:

(a) is equal to the sum of (i) and (ii), where (i) is the difference determined by the Ending Price minus the Starting Price (each as defined below); and (ii) is the sum of all dividends paid on one share of common stock during the Performance Period, provided that all dividends are treated as reinvested at the end of each calendar quarter; and

(b) is equal to the Starting Price.

For purposes of determining TSR:

(i) "Starting Price" means the volume-weighted average price of one share of common stock on the applicable stock exchange during the 60 days immediately preceding the first day of the Performance Period. Notwithstanding the foregoing, the Starting Price for the Company shall be $19.00.

(ii) "Ending Price" means the volume-weighted average price of one share of common stock on the applicable stock exchange during the 60 days immediately preceding the last day of the Performance Period.

In the event the Committee determines that the Common Stock is not widely traded for purposes of determining the Ending Price, the Committee shall in good faith determine the fair market value of one share of the Common Stock as of the end of the Performance Period (taking into account any factors the Committee deems appropriate, including but not limited to any recent transactions in the Common Stock), which shall be deemed to be the Company's Ending Price; provided, however, that if, within ten days following any such Committee determination of the Company's Ending Price, the most senior executive then employed with the Company who received an award of Restricted Stock Units on the Grant Date notifies the Committee in writing that he or she objects to the Committee's determination, the Committee shall retain an independent appraiser to determine the Company's Ending Price, and such determination shall be binding for all purposes hereunder.

The Company's "Percentile" shall be equal to the absolute value of the difference obtained by (I) the quotient of (A) the Rank (as defined below), divided by (B) the total number of entities in the TSR Index (including the Company, but after removal of any entities in accordance with calculation of the Rank), expressed as a percentage, minus (II) 100%.

The Company's "Rank" shall be determined by the Company's position within the ranking of each entity in the TSR Index (including the Company) in descending order based on their respective TSRs (with the highest TSR having a Rank of one). For purposes of developing the ordering provided in the immediately-preceding sentence, (A) any entity that filed for bankruptcy protection under the United States Bankruptcy Code during the Performance Period shall be assigned the lowest order of any entity in the TSR Index, and (B) any entity that is acquired during the Performance Period, or otherwise no longer listed on a national securities exchange at the end of the Performance Period (other than the Company), shall be removed from the TSR Index and shall be excluded for purposes of ordering the entities in the TSR Index (and for purposes of calculating the Company's Percentile).

The "Payout Percentage" shall be determined as follows, subject to the exceptions below:

- Threshold Performance: If the Company's Percentile equals 25%, the Payout Percentage shall be 25%. The Payout Percentage shall equal zero if the Company Percentile is less than 25%.

- Maximum Performance: If the Company's Percentile equals the Percentile achieved by a Rank of one in the TSR Index (the "Highest Percentile"), the Payout Percentage shall be 200%.

- Straight-line interpolation shall be used to determine the Payout Percentage for any Company Percentile between 25% and the Highest Percentile, based upon the Payout Percentages set forth above.

The following exceptions exist with respect to the Payout Percentage determination set forth above:

(A) If the Company's absolute TSR (irrespective of its Rank or Percentile) is less than 0%, then the Payout Percentage shall not exceed 100%.

(B) If either (x) the Company's Rank is higher than the ranking of SPDR S&P Oil & Gas Explor & Prodtn ETF (XOP) for those purposes, or (y) Participant's cumulative three-year achievement in the Company's applicable annual cash bonus program (from January 1, 2018 through December 31, 2020) exceeds 67% of Participant's cumulative three-year target amounts under such program, then the Payout Percentage shall not be less than 25%.

(C) If (w) Ultra Petroleum Corp. ("UPL") continues to be included in the TSR Index for purposes of Percentile calculations; (x) the Company has not divested its Pinedale operations; (y) UPL's absolute TSR (irrespective of its Rank or Percentile) equals or exceeds 50%; and (z) the Company's absolute TSR (irrespective of its Rank or Percentile) is less than 40% of UPL's absolute TSR, then the Payout Percentage shall not exceed 100%.

In addition to the Company, the "TSR Index" is comprised of the following 15 other entities (subject to adjustment as set forth in the definition of Rank, above):

- Amplify Energy Corp. (AMPY)
- Antero Resources Corporation (AR)
- Bill Barrett Corporation (BBG)
- Cabot Oil & Gas Corporation (COG)
- Chesapeake Energy Corporation (CHK)
- Eclipse Resources Corporation (ECR)
- Gulfport Energy Corporation (GPOR)
- Laredo Petroleum, Inc. (LPI)
- Linn Energy, Inc. (LNGG)
- Range Resources Corporation (RRC)
- Sanchez Energy Corporation (SN)
- SM Energy Company (SM)
- Southwestern Energy Company (SWN)
- SPDR S&P Oil & Gas Explor & Prodtn ETF (XOP)
- Ultra Petroleum Corp. (UPL)

Exhibit 99.1

NEWS RELEASE

Vanguard Natural Resources, Inc. Announces Senior Leadership Changes and Initial 2018 Guidance, and Provides 2018 General Corporate Update

HOUSTON-January 18, 2018 -- Today Vanguard Natural Resources, Inc. (the "Company" or "Vanguard") announced changes to its leadership team. It also announced its initial 2018 capital expenditure budget and provided its initial guidance for both the first quarter and full year 2018. Additionally, Vanguard announced numerous targeted divestments beyond those initially disclosed in November 2017.

Appointment of Richard Scott Sloan as President and Chief Executive Officer

On January 15, 2018, Scott W. Smith, the President and Chief Executive Officer of the Company, stepped down as President and Chief Executive Officer and from his position on the board of directors of the Company (the "Board"), effective immediately. Mr. Smith has agreed to remain with the Company as a non-officer employee to help facilitate a seamless senior leadership transition.

Joseph Citarrella, Chairman of the Board said, "On behalf of the entire Board, I would like to thank Scott for his dedication and many years of service. As the founder of the Company, he has been a critical member of the management team and we wish him every success in his future endeavors."

The Company is pleased to announce the promotion of Richard Scott Sloan to President and Chief Executive Officer. Mr. Sloan has served as Executive Vice President and Chief Financial Officer of the Company since September 2017 and as a member of the Board since August 2017. He will continue to serve on the Board, having previously held various senior leadership positions over his 25-year career at BP, including President of BP Russia, Director of M&A, and Chief Financial Officer of several regional divisions. He received his BA in Economics from Colgate University and MBA in Corporate Finance from the University of Chicago. Mr. Citarrella remarked "Scott is a seasoned executive with the capability and vision to lead Vanguard as we implement our long-term strategy to maximize value for all of the Company's shareholders. His exceptional leadership skills have been evident since he joined the management team in September, and we are confident that he will deliver outstanding results as President and Chief Executive Officer of the Company."

Scott W. Smith said, "Having founded the Company over ten years ago, I am proud to have seen it grow to an enterprise of significant size and scale. However, with the completion of the recapitalization, I believe it is time for me to step down from my role as President and Chief Executive Officer. I am highly confident that the current management team and the many other talented individuals that work tirelessly each day on behalf of the Company will continue doing a tremendous job in executing the business plan and long-term strategy that the Board has outlined for 2018 and beyond."

Appointment of Ryan Midgett as Chief Financial Officer

In connection with Mr. Sloan's promotion to President and Chief Executive Officer, Ryan Midgett has been promoted to serve as the Chief Financial Officer of the Company. Mr. Midgett has over a decade of experience in financial management, analysis and reporting in the oil and gas industry. Most recently he served as the Vice President, Finance and Treasurer of the Company. Mr. Midgett received his BA in Economics, Managerial Studies and Political Science from Rice University. W. Greg Dunlevy, Chairman of the Audit Committee stated, "Ryan's demonstrated leadership abilities, past experience and deep knowledge of the Company's business make him the ideal successor as our Chief Financial Officer."

Appointment of Patty Avila-Eady as Chief Accounting Officer

Patty Avila-Eady has been appointed to serve as the Chief Accounting Officer of the Company where she will work closely with Chief Financial Officer Ryan Midgett. Ms. Avila-Eady is a certified public accountant and, including the last ten years with the Company, has over thirty years of experience in accounting and financial reporting. Ms. Avila-Eady has been responsible for the preparation and oversight of financial reporting of both public and private companies, ensuring compliance with GAAP and SEC reporting guidelines. Ms. Avila-Eady received her BBA in Accounting, magna cum laude, from the University of Houston. "Patty's intelligence, attention to detail, commitment and technical knowledge makes her the perfect person to perform this critical function for the Company," stated President and Chief Executive Officer R. Scott Sloan.

Departure of Britt Pence

In addition to the above, Britt Pence, the Company's Executive Vice President of Operations, has agreed to step down, effective on or before June 29, 2018 or such other time as mutually agreed with the Company.

The Board expects to announce Mr. Pence's replacement at a later date.

2018 Capital Expenditure Budget

The Company has approved a 2018 capital expenditure budget of $160 million that includes approximately $135 million of drilling and completions capital, or 85% of the total capital budget. More than 97% of the drilling and completion capital is focused on the core growth assets of Pinedale, Piceance, and Arkoma. The largest amount is budgeted for Pinedale development drilling (approximately $93 million). The Company is currently drilling a 14 well program in the Piceance basin, with plans to test various completion techniques, including high volume fracs, to more fully assess development upside in the field (approximately $21 million). Lastly, the Company is expected to participate in approximately 8 horizontal Woodford wells in the Arkoma basin (approximately $18 million).

Based on the capital expenditure budget, the Company expects to grow production approximately 8%, pro forma for the recent Williston divestiture described below, from December 2017 to December 2018. Natural gas production is anticipated to comprise more than 70% of total production, and lease operating expenses per Mcfe are expected to decline from 2017 levels.

Mr. Sloan, President and Chief Executive Officer, commented, "2018 is shaping up to be an exciting transition year for Vanguard. The Company is increasingly focused on its core growth assets. At the same time, we continue to identify those assets in our portfolio that are non-core to our operations and which we anticipate will be worth more to other owners. In this regard, we have completed the sale of our Williston basin properties and are initiating the marketing of leasehold interests in Ward County, Texas, which have undeveloped shale resource along with established producing reserves. We expect that our 2018 divestment program will lead to a more focused and less levered Vanguard by year end."

Initial 2018 Guidance

The following table sets forth the Company's initial guidance for 2018 which is based on certain estimates being used by the Company to model its anticipated results of operations for the 2018 fiscal year. These estimates do not include any future acquisitions or divestitures of oil or natural gas properties, reflect the impact of the sale of the Williston properties divested in December 2017, and assume Vanguard's current capital structure.

	Q1 2018E		FY 2018E	
Net Production:				
Oil (Bbls/d)	8,000	9,000	8,200	9,200
Natural gas (Mcf/d)	250,000	270,000	255,000	280,000
Natural gas liquids (Bbls/d)	8,000	9,000	8,300	9,300
Total (Mcfe/d)	346,000	378,000	354,000	391,000
Costs ($ thousands):				
Lease operating expenses	34,000	38,000	135,000	150,000
Production taxes (% of revenue)	9.5%	10.5%	9.5%	10.5%
G&A expenses (excluding non-cash compensation) [(1)]	10,500	11,500	40,000	45,000
Interest expense	14,000	15,000	55,000	-60,000
Capital expenditures	46,000	50,000	152,000	-168,000

Average NYMEX Differentials [2]:				
Oil ($/Bbl)	($6.00)	($7.00)	($5.50)	($7.00)
Natural gas ($/MMBtu)	($0.95)	($1.05)	($0.85)	($1.15)
NGL realization as a percentage of crude oil NYMEX price [3]	37.5%	42.5%	35%	45%

(1) Includes post-emergence restructuring related costs of $3.4 million for 2018.
(2) Includes impact of transportation costs that may be classified as operating expenses under ASC 606 Revenue Recognition.
(3) Assumes a weighted average product breakout of approximately 16% ethane, 39% propane, 11% isobutane, 14% n-butane and 20% pentane.

Operations Update

Green River Basin – Pinedale
The Pinedale asset equates to approximately 35% of Vanguard's estimated 2018 production. The Company anticipates its production in the Pinedale field will grow approximately 20% from December 2017 to December 2018. Recently, Vanguard has participated in the three horizontal wells being drilled and completed by Ultra Petroleum. Two of these horizontal wells are planned for the Lower Lance A interval and the other is testing a deeper Mesaverde interval. The first Lance A well had a max average 30 day initial production rate of 42 MMcf per day and a condensate yield of 15 barrels per MMcf. The Company's 2018 capital expenditures budget and initial 2018 guidance do not assume any additional horizontal activity. Vanguard will evaluate, and potentially allocate additional capital to, further horizontal activity as Ultra Petroleum continues to pursue this exciting development opportunity.

Piceance Basin – Mamm Creek
The Piceance assets equate to approximately 20% of Vanguard's estimated 2018 production. The Company anticipates its production in the Piceance Basin will grow approximately 8% from December 2017 to December 2018. The Company has a 90% working interest on approximately 80% of its 14,940 net acres, with a large undeveloped inventory of approximately 550 gross (500 net) locations. In 2018 Vanguard has a 14 well program planned which will test the potential for higher EURs.

Mid-Continent Basin - Arkoma Woodford
The Arkoma Woodford core growth assets equate to approximately 8% of Vanguard's estimated 2018 production. The Company anticipates its production in the Arkoma Woodford will grow approximately 30% from December 2017 to December 2018. The Company estimates that it holds more than 68,000 net acres in Hughes, Pittsburg, Coal, and Atoka Counties, Oklahoma, encompassing a sizeable acreage position in the Arkoma Woodford play. The rig count and permitting in the Arkoma basin continues to increase as more operators migrate to the latest completion designs. Vanguard is currently evaluating further development using enhanced drilling and completion technology on this acreage.

Washakie Basin - Wamsutter
Significant offset horizontal activity continues to move towards our operated position in southern Wyoming. In particular, BP has recently drilled horizontal Lewis wells which have resulted in attractive IPs and high crude oil cuts. In addition, recent M&A transactions from both LINN and Samson Resources have been indicative of increasing momentum and interest in the play. Vanguard is currently evaluating options for future development across this asset including further expansion in the Company's largely contiguous Hay Reservoir area.

Divestiture Update

In December 2017, the Company completed the divestment of its Williston properties consisting of operated and non-operated working interests, overriding royalty interests, leasehold and associated development rights in Montana and North Dakota. December 2017 production was approximately 1,000 barrels of oil equivalent per day (90% oil). Gross proceeds, before fees, hedge monetizations and customary closing adjustments, totaled $38.5 million. Net proceeds were primarily used to pay down the reserve-based revolving credit facility and the borrowing base was reduced by $25 million for the sale.

The Company has already launched marketing processes to divest additional asset packages in the first half of 2018, including assets in the Gulf Coast area and over 1,700 net acres and associated net production in Ward County, TX. The Gulf Coast package consists primarily of two operated fields (Big Escambia Creek in Alabama and Parker Creek in Mississippi) with current net production of approximately 1,900 barrels of oil equivalent per day. The Ward County acreage is primarily focused around undeveloped deeper shale potential and has production of approximately 300 barrels of oil equivalent per day. The sale of the Company's Wind River assets, consisting of producing properties (98% operated) and leasehold rights in Fremont and Natrona Counties, Wyoming is still underway.

Liquidity Update

At December 31, 2017, Vanguard had current borrowings under the reserve-based revolving credit facility of $700.0 million and a borrowing base of $825 million, after the reduction in the borrowing base due to the Williston divestiture.

About Vanguard Natural Resources, Inc.

Vanguard Natural Resources, Inc. is an independent oil and gas company focused on the acquisition, production and development of oil and natural gas properties. Vanguard's assets consist primarily of producing and non-producing oil and natural gas reserves located in the Green River Basin in Wyoming, the Permian Basin in West Texas and New Mexico, the Gulf Coast Basin in Texas, Louisiana, Mississippi and Alabama, the Anadarko Basin in Oklahoma and North Texas, the Piceance Basin in Colorado, the Big Horn Basin in Wyoming and Montana, the Arkoma Basin in Arkansas and Oklahoma, the Wind River Basin in Wyoming, and the Powder River Basin in Wyoming. More information on Vanguard can be found at www.vnrenergy.com.

Forward-Looking Statements

We make statements in this news release that are considered forward-looking statements within the meaning of the Securities Exchange Act of 1934, as amended. These forward-looking statements are largely based on our expectations, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors. Although we believe such estimates and assumptions to be reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond our control. In addition, management's assumptions about future events may prove to be inaccurate. Management cautions all readers that the forward-looking statements contained in this news release are not guarantees of future performance, and we cannot assure you that such statements will be realized or the forward-looking events and circumstances will occur. Actual results may differ materially from those anticipated or implied in the forward-looking statements due to factors listed in the "Risk Factors" section in our SEC filings and elsewhere in those filings. All forward-looking statements speak only as of the date of this news release. We do not intend to publicly update or revise any forward-looking statements as a result of new information, future events or otherwise.

SOURCE: Vanguard Natural Resources, Inc.

CONTACT: Vanguard Natural Resources, Inc.

Investor Relations

Lisa Godfrey, 832-327-2234

IR@vnrenergy.com

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